



A COMPLETE  
**explanation**  
OF YOUR **plan**

Evidence of Coverage  
Health Net ELECT Open  
Access

PLAN 60B 92152

**Important benefit information – please read.**

Dear Health Net Member:

This is your new Health Net *Evidence of Coverage*.

This document is the most up-to-date version. To avoid confusion, please discard any versions you may have previously received.

Thank you for choosing Health Net.

## **About This Booklet**

Please read the following information so you will know from whom or what group of providers health care may be obtained.

## **Method of Provider Reimbursement**

Health Net uses financial incentives and various risk sharing arrangements when paying providers under ELECT Open Access 1 benefits. You may request more information about our payment methods by contacting Member Services Department at the telephone number on your Health Net ID Card, your Physician Group or your Primary Care Physician.

## **Summary of Plan**

This *Evidence of Coverage* constitutes only a summary of the health Plan. The health Plan contract must be consulted to determine the exact terms and conditions of coverage.

Please read this *Evidence of Coverage* carefully.



## Use of Special Words

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Special words used in this *Evidence of Coverage* to explain your ELECT Open Access Plan have their first letter capitalized and appear in "Definitions" Section 1000, of this *Evidence of Coverage*.

The following words are used frequently:

- "**You**" refers to anyone in your family who is covered; that is, anyone who is eligible for coverage in this Plan and who has been enrolled.
- "**Employee**" has the same meaning as the word "you" above.
- "**We**" or "**Our**" refers to Health Net.
- "**Subscriber**" means the primary covered person, generally an Employee of a Group.
- "**Physician Group**" or "Participating Physician Group (PPG)" means the medical group the individual Member selected as the source of ELECT 1/HMO covered medical care. This may also refer to the provider of services under ELECT Open Access 2/PPO.
- "**Primary Care Physician**" is the individual Physician each Member selected who will provide or authorize covered medical care received under ELECT 1/HMO benefits.
- "**Group**" is the business entity (usually an employer or trust) that contracts with Health Net ELECT Open Access to provide this coverage to you.
- "**Plan**" and "**Evidence of Coverage (EOC)**" have similar meanings. You may think of these as meaning your Health Net benefits.
- "**Tier**" refers to a benefit option offered in your Health Net ELECT Open Access benefits.



## **Table of Contents**

<b>INTRODUCTION TO HEALTH NET .....</b>	<b>7</b>
How to Obtain Care ELECT 1 (HMO) .....	8
How to Obtain Care ELECT 2 (PPO).....	8
Emergency and Urgently Needed Care Through Your ELECT Open Access Plan .....	9
<b>SCHEDULE OF BENEFITS AND COPAYMENTS – ELECT 1 .....</b>	<b>12</b>
<b>OUT-OF-POCKET MAXIMUM .....</b>	<b>19</b>
<b>SCHEDULE OF BENEFITS AND COPAYMENTS – ELECT 2.....</b>	<b>21</b>
<b>ELIGIBILITY, ENROLLMENT AND TERMINATION .....</b>	<b>23</b>
Who Is Eligible for Coverage .....	23
How to Enroll for Coverage.....	24
Transferring to Another Contracting Physician Group.....	27
When Coverage Ends .....	27
Coverage Options Following Termination .....	28
Conversion Privilege.....	32
<b>COVERED SERVICES AND SUPPLIES.....</b>	<b>35</b>
Prescription Drugs .....	40
Mental Disorders and Chemical Dependency (ELECT 1).....	45
<b>EXCLUSIONS AND LIMITATIONS .....</b>	<b>48</b>
Services and Supplies .....	48
Prescription Drugs .....	54
Mental Disorders and Chemical Dependency.....	57
<b>GENERAL PROVISIONS.....</b>	<b>60</b>
When the Plan Ends .....	60
When the Plan Changes.....	60

Grievance, Appeals, Independent Medical Review and Arbitration.....	60
Independent Medical Review of Investigational or Experimental Therapies .....	61
Department of Managed Health Care .....	62
Medical Malpractice Disputes.....	64
When A Third Party Causes A Member Injuries .....	64
Steps You Must Take.....	65
How the Amount of Your Reimbursement is Determined.....	65
Relationship of Parties .....	65
Coordination of Benefits .....	66
Government Coverage .....	70
Medicare Coordination of Benefits (COB).....	70
Workers' Compensation .....	71
<b>MISCELLANEOUS PROVISIONS.....</b>	<b>72</b>
<b>DEFINITIONS .....</b>	<b>77</b>



## INTRODUCTION TO HEALTH NET

Welcome to the ELECT Open Access program, a product of Health Net, a health care service plan regulated by the California Department of Managed Health Care. Health Net ELECT Open Access provides you with options in receiving health care. Members may choose medical care from the medical group and Physician selected when they sign up for ELECT Open Access. In addition, you have the choice of seeking care for certain benefits from providers other than your pre-selected Physician and medical group. You are able to make this choice every time you access medical care for those benefits.

Under your ELECT 1 HMO benefits, you receive medical care through your designated Physician Group and Primary Care Physician. The contracting Physician Group provides or coordinates health care services with lower out-of-pocket costs than those available in traditional indemnity insurance plans.

Unlike health maintenance organization (HMO) plans, where you are required to seek health care only through the contracting Physician Group, your ELECT 2 benefits of this Plan also provides limited Participating or Preferred Provider Organization (PPO) medical insurance. This allows you to obtain health care directly from a Health Net Participating or Preferred Provider.

**Some Hospitals and other providers do not provide one or more of the following services that may be covered under your *Evidence of Coverage* and that you or your Family Member might need: family planning; contraceptive services, including emergency contraception; sterilization, including tubal ligation at the time of labor and delivery; Infertility treatments; or abortion. You should obtain more information before you enroll. Call your prospective doctor, medical group, independent practice association or clinic or call Health Net's Member Services Department at 1-800-676-6976 to ensure that you can obtain the health care services that you need.**

Please read this entire *Evidence of Coverage* so you will understand how your benefits work.

### **Transition of Care For New Enrollees**

A Member may request continued care from a provider who does not contract with Health Net if, at the time of enrollment with Health Net, the Member was receiving care from such a provider for any of the following conditions:

- An Acute Condition
- A Serious Chronic Condition
- A pregnancy (including the duration of the pregnancy and immediate postpartum care)
- A newborn (up to age 36 months)
- A Terminal Illness
- A surgery or other procedure that has been authorized by Health Net as part of a documented course of treatment

For definitions of Acute Condition, Serious Chronic Condition and Terminal Illness see "Definitions" Section 1000, of this *Evidence of Coverage*.

Health Net may provide coverage for completion of services from such a provider, subject to applicable Copayments and any exclusions and limitations of this Plan. The non-participating provider must be willing to accept the same contract terms applicable to providers currently contracted with Health Net, who are not capitated and who practice in the same or similar geographic region.

If you would like more information on how to request continued care, or request a copy of our continuity of care policy, please contact the Member Services Department at the telephone number on your Health Net ID card.

## **How to Obtain Care ELECT 1 (HMO)**

ELECT 1 coverage applies when you or your family receive medical care through a contracting Physician Group. When you enroll in this Plan, you must select a contracting Physician Group where you want to receive your medical care. That contracting Physician Group will provide or authorize all medical care for ELECT 1 benefits except for Emergency Care or Urgently Needed Care (see below).

The Health Net ID Card shows your selected contracting Physician Group's name, address and telephone number. Call them directly to make an appointment.

### **Selecting a Contracting Physician Group**

Family Members may select different contracting Physician Groups. However, each person must select a contracting Physician Group close enough to his or her residence or place of work to allow reasonable access to medical care. Please call the Member Services Department at the number shown on your Health Net ID Card if you need a provider directory or if you have questions involving reasonable access to care. The provider directory is also available on the Health Net website at [www.healthnet.com](http://www.healthnet.com) under "DocSearch."

### **Selecting a Primary Care Physician**

In addition to selecting a contracting Physician Group, you must choose a Primary Care Physician at the contracting Physician Group. A Primary Care Physician provides and coordinates your medical care.

### **Specialists and Referral Care**

Sometimes, you may need care that the Primary Care Physician cannot provide. At such times, you will be referred to a specialist or other health care provider for that care.

**THE CONTINUED PARTICIPATION OF ANY ONE PHYSICIAN, HOSPITAL OR OTHER PROVIDER CANNOT BE GUARANTEED.**

**THE FACT THAT A PHYSICIAN OR OTHER PROVIDER MAY PERFORM, PRESCRIBE, ORDER, RECOMMEND OR APPROVE A SERVICE, SUPPLY OR HOSPITALIZATION DOES NOT, IN ITSELF, MAKE IT MEDICALLY NECESSARY OR MAKE IT A COVERED SERVICE.**

### **Standing Referral to Specialty Care**

A standing referral is a referral to a participating specialist for more than one visit without your Primary Care Physician having to provide a specific referral for each visit. You may receive a standing referral to a specialist if your continuing care and recommended treatment plan is determined necessary by your Primary Care Physician, in consultation with the specialist, Health Net's Medical Director and you. The treatment plan may limit the number of visits to the specialist, the period of time that the visits are authorized or require that the specialist provide your Primary Care Physician with regular reports on the health care provided. Extended access to a participating specialist is available to Members who have a life threatening, degenerative or disabling condition (for example, Members with HIV/AIDS). To request a standing referral ask your Primary Care Physician or specialist.

### **Changing Contracting Physician Groups**

You may transfer to another contracting Physician Group, but only according to the conditions explained in the "Transferring to Another Contracting Physician Group" portion of "Eligibility, Enrollment and Termination," Section 500.

### **Your Financial Responsibility**

Your Physician Group will authorize and coordinate all your care, providing you with medical services or supplies. You are financially responsible for any required Copayment described in "Schedule of Benefits and Copayments - ELECT 1," Section 200. You are also financially responsible for care this Plan does not cover.

## **How to Obtain Care ELECT 2 (PPO)**

ELECT 2 coverage applies when you receive medical care from a Health Net Participating or Preferred Provider listed in the *Health Net Network Directory*. Health Net contracts with these providers to furnish medical services at a reduced cost. Health Net will pass that cost savings to you when you use an ELECT 2 Participating or Preferred Provider. To obtain a copy of the directory, please contact the Member Services Department at the telephone number on your Health Net ID Card or visit the Health Net website at [www.healthnet.com](http://www.healthnet.com) under "DocSearch."

## Specialists and Referral Care

In the event that you desire to see a specialist, not affiliated with your selected Physician Group, for care or service you have the option to see one of Health Net's Exclusive Providers. Simply find the specialist you wish to see in the *Health Net Network Directory* and schedule an appointment.

**THE CONTINUED PARTICIPATION OF ANY ONE PHYSICIAN, HOSPITAL OR OTHER PROVIDER CANNOT BE GUARANTEED.**

**THE FACT THAT A PHYSICIAN OR OTHER PROVIDER MAY PERFORM, PRESCRIBE, ORDER, RECOMMEND OR APPROVE A SERVICE, SUPPLY OR HOSPITALIZATION DOES NOT, IN ITSELF, MAKE IT MEDICALLY NECESSARY OR MAKE IT A COVERED SERVICE.**

## Your Financial Responsibility

You are responsible for specified Copayment or Coinsurance levels. Note that you will have lower out-of-pocket costs through ELECT 1 as compared with ELECT 2, when you receive comparable services.

Providers listed in the *Health Net Network Directory* (ELECT 2) have agreed to accept the Allowable Charge as payment in full. You will never be responsible for amounts billed in excess of Covered Expenses.

You are also completely financially responsible for care this Plan does not cover.

## Questions

Call Health Net's Member Services Department with questions about this Plan at the number shown on your Health Net ID Card.

## **Emergency and Urgently Needed Care Through Your ELECT Open Access Plan**

Emergency services and related Follow-Up Care are covered at your ELECT 1 HMO level of benefits. Please refer to the following information for a description of how to access your emergency benefits. Additional information is also located in "Schedule of Benefits and Copayments - ELECT 1," Section 200, and "Schedule of Benefits and Copayments - ELECT 2," Section 400.

### **WHAT TO DO WHEN YOU NEED MEDICAL CARE IMMEDIATELY**

**In serious emergency situations:** Call **911** or go to the nearest Hospital.

**If your situation is not so severe:** Call your Primary Care Physician or Physician Group or if you cannot call them or you need medical care right away, go to the nearest medical center or Hospital.

If you are unsure of whether an emergency medical condition exists, you may call your Physician Group or Primary Care Physician for assistance.

Your Physician Group is available 24 hours a day, seven days a week, to respond to your phone calls regarding medical care that you believe is needed immediately. They will evaluate your situation and give you directions about where to go for the care you need.

Except in an emergency or other urgent medical circumstances, the covered services of ELECT 1 must be performed by your Physician Group or authorized by them to be performed by others. In order to qualify for ELECT 1 level benefits, you may use other providers outside your Physician Group only when you are referred to them by your Physician Group.

**Urgently Needed Care within a 30-mile radius of your Physician Group and all non-Emergency Care** must be performed by your Physician Group or authorized by them in order to be covered under your ELECT 1 benefit level. These services, if performed by others outside your Physician Group, will not be covered at the ELECT 1 level unless they are authorized by your Physician Group.

**Urgently Needed Care outside a 30-mile radius (including care outside of California) of your Physician Group and all Emergency Care** may be performed by your Physician Group or another provider when your circumstances require it. Services by other providers will be covered if the facts demonstrate that you required Emergency or Urgently Needed Care. Authorization is not mandatory to secure coverage. See "Definitions Related to Emergency and Urgently Needed Care" below for the definition of Urgently Needed Care.

It is critical that you contact your Physician Group as soon as you can after receiving emergency services from others outside your Physician Group. Your Physician Group will evaluate your circumstances and make all necessary arrangements to assume responsibility for your continuing care. They will also advise you about how to obtain reimbursement for charges you may have paid.

Always present your Health Net ID Card to health care providers regardless of where you are. It will help them understand the type of coverage you have and they will be interested in helping you contact your Physician Group.

After your medical problem (including Severe Mental Illness and Serious Emotional Disturbances of a Child) no longer requires Urgently Needed Care or ceases to be an emergency and your condition is stable, any additional care you receive is considered Follow-Up Care.

**Follow-Up Care** services must be performed by your Physician Group (medical) or the Behavioral Health Administrator (Mental Disorders) to be covered under the ELECT 1 benefit level.

### **Definitions Related To Emergency And Urgently Needed Care**

The following terms are located in "Definitions," Section 1000, but they are being repeated here for your convenience.

**Emergency Care** is any otherwise covered service that a reasonable person with an average knowledge of health and medicine would seek if he or she was having serious symptoms (including symptoms of Severe Mental Illness and Serious Emotional Disturbances of a Child) and believed that without immediate treatment, any of the following would occur:

- His or her health would be put in serious danger (and in the case of a pregnant woman, would put the health of her unborn child in serious danger);
- His or her bodily functions organs or parts would become seriously damaged; or
- His or her bodily organs or parts would seriously malfunction.

Emergency Care includes paramedic, ambulance and ambulance transport services provided through the **911** emergency response system.

Emergency Care also includes treatment of severe Pain or active labor. Active labor, means labor at the time that either of the following would occur:

- There is inadequate time to effect safe transfer to another Hospital prior to delivery; or
- A transfer poses a threat to the health and safety of the Member or unborn child.

Emergency Care will also include additional screening, examination and evaluation by a Physician (or other health care provider acting within the scope of his or her license) to determine if a psychiatric emergency medical condition exists and the care and treatment necessary to relieve or eliminate such condition, within the capability of the facility.

Health Net will make any final decisions about Emergency Care.

**Urgently Needed Care** is any otherwise covered medical service that a reasonable person with an average knowledge of health and medicine would seek for treatment of an injury, unexpected illness or complication of an existing condition, including pregnancy to prevent the serious deterioration of his or her health, but which does not qualify as Emergency Care, as defined in this section. This may include services for which a person should reasonably have known an emergency did not exist.

### **Prescription Drugs**

If you purchase a covered Prescription Drug for a medical Emergency or Urgently Needed Care from a Nonparticipating Pharmacy, this Plan will reimburse you for the retail cost of the drug less any required Copayment shown in "Schedule of Benefits and Copayments," Section 200. You may have to pay for the Prescription Drug when it is dispensed.

To be reimbursed, you must file a claim with Health Net. Call our Member Services Department at the telephone number on your Health Net ID Card to obtain claim forms and information.

**Note**

The Prescription Drugs portion of "Exclusions and Limitations," Section 700, and the requirements of the Recommended Drug List also apply when drugs are dispensed by a Nonparticipating Pharmacy.

## SCHEDULE OF BENEFITS AND COPAYMENTS – ELECT 1

The following schedule shows the Copayments that you must pay for ELECT 1 covered services and supplies.

Percentages shown below are based on amounts agreed to in advance by Health Net and the Member's Physician Group or other health care provider.

You must pay the stated Copayments when you receive the services.

There is a limit to the amount of Copayments you must pay in a Calendar Year. Refer to Out-of-Pocket Maximum," Section 300, for more information.

### Emergency or Urgently Needed Care in an Emergency Room or Urgent Care Center

	<b>Copayment</b>
Use of emergency room (facility and professional services) .....	\$50
Use of urgent care center (facility and professional services) .....	\$25

#### Exceptions

The emergency room or urgent care center Copayment will not apply:

- If you receive care from an emergency room or urgent care center operated by your Physician Group. (But a visit to one of their facilities will be considered an office visit and any Copayment required for office visits will apply.)
- If you are admitted to a Hospital as an inpatient directly from the emergency room or urgent care center.

### Office Visits

	<b>Copayment</b>
(See "Non-Severe Mental Disorders" benefits in this section for the applicable Copayments.)	
Visit to Physician, Physician Assistant or Nurse Practitioner at contracting Physician Group.....	\$10
Visit to Physician, Physician Assistant or Nurse Practitioner at a contracting Physician Group for treatment of Severe Mental Illness or Serious Emotional Disturbances of a Child .....	\$10
Specialist consultation.....	\$10
Physician visit to Member's home (at the discretion of the Physician in accordance with the rules and criteria established by Health Net).....	\$10
Periodic Health Evaluation.....	\$10
Annual Routine Physical Exams (limited to one per year).....	\$10
Vision and hearing examination .....	\$10

#### Note

Self-referrals are allowed for Obstetrician and Gynecological services. (Refer to "Obstetrician and Gynecologist (OB/GYN) Self-Referral," portion of "Covered Services and Supplies," Section 600.)

### Hospital Visits by Physician

	<b>Copayment</b>
Physician visit to Hospital or Skilled Nursing Facility.....	\$0

### Allergy, Immunizations and Injections

	<b>Copayment</b>
Allergy testing.....	\$10
Allergy injection services .....	\$10

Allergy serum .....	\$0
Immunizations for occupational purposes or foreign travel .....	\$10
Other immunizations .....	\$10
Injections for Infertility .....	50%
All other injections.....	\$10

**Note**

Injections for Infertility are not covered when provided in connection with services which are not covered by this Plan. (Refer to "Conception by Medical Procedures," portion of "Exclusions and Limitations," Section 700)

**Rehabilitation Therapy**

	<b>Copayment</b>
Physical therapy .....	\$10
Occupational therapy .....	\$10
Speech therapy .....	\$10
Pulmonary rehabilitation therapy .....	\$10
Cardiac rehabilitation therapy .....	\$10

**Note**

These services will be covered when Medically Necessary.

Coverage for physical, occupational and speech rehabilitation therapy services is subject to certain limitations as described under "Rehabilitation Therapy" portion of "Exclusions and Limitations," Section 700.

**Care for Conditions of Pregnancy**

	<b>Copayment</b>
Prenatal office visit.....	\$10
Postnatal office visit .....	\$0
Newborn care office visit .....	\$10
Physician visit to the mother or newborn at a Hospital* .....	\$0
Normal delivery, including cesarean section.....	\$0
Complications of pregnancy, including Medically Necessary abortions .....	\$0
Elective abortion.....	\$10
Genetic testing of fetus.....	\$0
Circumcision of newborn .....	\$0

**Note**

The above Copayments apply to professional services only. Services that are rendered in a Hospital are also subject to the Hospital services Copayment. Look under "Inpatient Hospital Services" and "Outpatient Hospital Services" headings to determine any additional Copayments that may apply.

For each pregnancy, the initial prenatal office visit requires a \$10 copayment. No copayment is required for subsequent prenatal and postnatal visits.

One Copayment per visit.

**Family Planning**

	<b>Copayment</b>
Infertility services (all covered services that diagnose, evaluate or treat Infertility) .....	50%
Sterilization of female.....	\$10
Sterilization of male.....	\$10
Injectable contraceptives (including but not limited to Depo Provera) .....	\$10

**Note**

If one partner does not have Health Net coverage, Infertility services are covered only for the Health Net Member.

**Other Professional Services**

	<b>Copayment</b>
Surgery .....	\$0
Assistance at surgery .....	\$0
Administration of anesthetics .....	\$0
Chemotherapy .....	\$0
Laboratory and x-ray services .....	\$0
Medical social services .....	\$0
Patient education .....	\$0
Nuclear medicine (use of radioactive materials) .....	\$0
Renal dialysis .....	\$0
Organ, tissue or bone marrow transplants .....	\$0

**Note**

Surgery includes surgical reconstruction of a breast, incident to a mastectomy, including surgery to restore symmetry; also includes prosthesis and treatment of physical complications at all stages of mastectomy, including lymphedema.

**Medical Supplies**

	<b>Copayment</b>
Durable Medical Equipment and orthotics .....	\$0
Diabetic equipment .....	\$0
Prosthetic device (internal or external) .....	\$0
Blood or blood products .....	\$0

**Note**

Coverage for orthotics may be limited. Refer to "Exclusions and Limitations" Section 700, for limitations on covered orthotics. Diabetic equipment and orthotics which are covered under the medical benefit includes blood glucose monitors, insulin pumps and podiatric devices.

**Home Health Services**

	<b>Copayment</b>
Home health visits .....	\$0

**Hospice Services**

	<b>Copayment</b>
Hospice care .....	\$0

**Ambulance Services**

	<b>Copayment</b>
Ground ambulance .....	\$0
Air ambulance .....	\$0



## Inpatient Hospital Services

### Copayment

(See "Non-Severe Mental Disorders" benefits in this section for the applicable Copayments)

Room and board in a semi-private room or special care unit including ancillary (additional) services .....	\$0
Room and board in a semi-private room or special care unit including ancillary (additional) services for treatment of Severe Mental Illness or Serious Emotional Disturbances of a Child .....	\$0

### Exception

The Copayment for a Hospital confinement for Infertility services is 50%.

### Note

The above Copayment is applicable for each admission.

## Outpatient Hospital Services

### Copayment

Outpatient facility services (other than surgery).....	\$0
Outpatient surgery (Surgery Performed in a Hospital or Outpatient Surgical Center only).....	\$0

### Note

Other professional services performed in the outpatient department of a Hospital, such as a visit to a Physician (office visit), lab and x-ray services, physical therapy, etc., are subject to the same Copayment which is required when these services are performed at your Physician Group.

Look under the headings for the various services such as office visits, rehabilitation and other professional services to determine any additional Copayments that may apply.

Use of a Hospital emergency room appears in the first item at the beginning of this section.

## Skilled Nursing Facility Services

### Copayment

Room and board in a semiprivate room with ancillary (additional) services .....	\$0
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## Prescription Drugs

### Copayment

Level I Drugs (primarily generic) listed in the Health Net Recommended Drug List .....	\$5
Level II Drugs (primarily brand), insulin and diabetic supplies when listed in the Health Net Recommended Drug List.....	\$10
Level III Drugs (drugs not listed in the Health Net Recommended Drug List).....	\$25
Lancets .....	\$0
Sexual Dysfunction Drugs (including injections) .....	50%
Smoking Cessation Drugs .....	50%
Oral Infertility drugs .....	50%
Contraceptive Devices .....	\$10

### Notes:

Your financial responsibility for covered Prescription Drugs varies by the type of drug dispensed. For a complete description of Prescription Drug benefits, exclusions and limitations, please refer to "Prescription Drugs" portions of "Covered Services and Supplies," Section 600, and "Exclusions and Limitations," Section 700.

### Copayment Exceptions

If the pharmacy's usual and customary charge is less than the applicable Copayment, you will only pay the pharmacy's usual and customary charge.

Generic Drugs will be dispensed when a Generic Drug equivalent is available unless the Prescription Drug Order states "do not substitute," "dispense as written," or words of similar meaning in the Physician's handwriting, in which case the specified drug will be dispensed. However, when a Generic Drug equivalent is available and a Brand Name Drug is dispensed at your request, you must pay both of the following:

- The Level I Drug Copayment, plus
- The difference between the cost of the Generic Drug and the Brand Name Drug

However, if the Prescription Drug Order states "do not substitute," "dispense as written" or words of similar meaning in the Physician's handwriting, only the Level II or Level III Drug Copayment, as appropriate, will be applicable.

Prior Authorization requirements and related Copayment exceptions are described in "Prescription Drugs" portion of "Covered Services and Supplies" Section 600, of this *Evidence of Coverage*.

Percentage Copayments will be based on Health Net's contracted pharmacy rate.

### Mail Order:

The mail order Copayment is twice the applicable retail pharmacy Copayment, for up to a 90-consecutive-calendar-day supply of covered Maintenance Drugs. However, when the retail Copayment is a percentage, the mail order Copayment is the same percentage of the cost to Health Net as the retail Copayment.

### Diabetic Supplies:

Diabetic supplies (blood glucose testing strips, lancets, needles & syringes) are packaged in 50, 100 or 200 unit packages. Packages cannot be "broken" (i.e. opened in order to dispense the product in quantities other than those packaged).

When a prescription is dispensed, you will receive the size of package and/or number of packages required for you to test the number of times your Physician has prescribed for a 30-day period.

## Non-Severe Mental Disorders and Chemical Dependency Benefits

<b>Professional Services</b>	<b>Copayment</b>
Office visit (20-visit maximum each Calendar Year) .....	\$20
Outpatient group therapy sessions for Non-Severe Mental Disorders .....	\$10
Physician inpatient visit .....	\$0

### Note

Each group therapy session counts as one half of a private office visit for each Member participating in the session. In addition, each group therapy session requires only one half of a private office visit Copayment.

<b>Facility Services</b>	<b>Copayment</b>
Inpatient Hospital Services (30-day maximum each Calendar Year) .....	\$0
Detoxification .....	\$0
Residential Chemical Dependency program (30 day maximum each Calendar Year) .....	\$0
Outpatient Hospital Services .....	\$20

### Note

The above Copayment is applicable for each admission.

### Exceptions

If two or more Members in the same family attend the same outpatient treatment session, only one Copayment will be applied.

The Mental Disorder Copayments and day or visit limits will not apply for Severe Mental Illness or Serious Emotional Disturbances of a Child. Services for these mental conditions, as defined in "Definitions" Section 1000, of this *Evidence*

*of Coverage*, require whatever Copayment would be required if the services were provided for a medical condition. Look under the headings for the various services such as office visits, outpatient services and inpatient Hospital services to determine the applicable Copayment. All other Mental Disorders will be subject to the Copayments and limits shown above.

**Limitations**

Outpatient visit and inpatient day maximums are combined for non-Severe Mental Illnesses and for Chemical Dependency.



## OUT-OF-POCKET MAXIMUM

The Out-of-Pocket Maximum (OOPM) amounts below are the maximum amounts you must pay for covered services during a particular Calendar Year except as described in "Exceptions to ELECT 1 OOPM" below. The OOPM only applies to the ELECT 1 portion of this *Evidence of Coverage*.

Once the total amount of all Copayments you pay for covered services under this *Evidence of Coverage* in any one Calendar Year equals "Out-of-Pocket Maximum" amount, no payment for Covered Services and Benefits may be imposed on any Member, except as described in "Exceptions ELECT 1 to OOPM" below.

The OOPM amounts for this Plan are:

**One Member.....\$1,500**

**Two Members.....\$3,000**

**Family (three or more Members).....\$3,000**

### Exceptions to OOPM

Your payments for services or supplies that ELECT 1 does not cover will not be applied to the OOPM amount.

The following Copayments or expenses paid by you for covered services or supplies under this Plan will not be applied to the OOPM amount:

- Copayments made for Prescription Drug benefits. However, Copayments for diabetic supplies dispensed through a Participating Pharmacy will be applied to the OOPM amount.

You are required to continue to pay these Copayments listed by the bullets above after the OOPM has been reached.

### How the OOPM Works

Keep a record of your payment for covered medical services and supplies. When the total in a Calendar Year reaches the OOPM amount shown above, contact the Member Services Department at the telephone number shown on your Health Net ID Card for instructions.

- If the amount an individual Member pays for covered services in a Calendar Year equals the OOPM amount shown above for an individual Member, no further payment is required for that Member for the remainder of the Calendar Year.
- Once an individual Member in a Family satisfies the individual OOPM, the remaining enrolled Family Members must continue to pay the Copayments until either (a) the aggregate of such Copayments paid by the Family reaches the Family OOPM or (b) each enrolled Family Member individually satisfies the individual OOPM.
- If amounts for covered services paid for all enrolled Members equal the OOPM amount shown for a family, no further payment is required from any enrolled Member of that family for the remainder of the Calendar Year for those services.
- Only amounts that are applied to the individual Member's OOPM amount may be applied to the family's OOPM amount. Any amount you pay for covered services for yourself that would otherwise apply to your individual OOPM but exceeds the above stated OOPM amount for one Member will be refunded to you by Health Net, and will not apply toward your family's OOPM. Individual Members cannot contribute more than their individual OOPM amount to the Family OOPM.

***You must notify Health Net when the OOPM amount has been reached. Please keep a copy of all receipts and canceled checks for payments for covered services as proof of payments made.***

Health Net may change the OOPM amount on the first day of any Calendar Year. The OOPM amount for the following year is published annually in the fourth quarter issue of the Health Net newsletter. You may also call the Member Services Department to find out what the OOPM amount is for your Plan.



## SCHEDULE OF BENEFITS AND COPAYMENTS – ELECT 2

The following schedule shows the applicable Copayments for ELECT 2 covered services and supplies.

Members receiving services under ELECT 2 have a choice of using any Participating or Preferred Provider. If you receive care or services from an ELECT 2 Preferred Provider, you will be responsible for the Copayment.

**YOUR ELECT 2 BENEFITS ARE LIMITED TO OUTPATIENT PROFESSIONAL SERVICES ONLY. IT IS DESIGNED SPECIFICALLY TO SUPPLEMENT THE HMO (ELECT 1) PLAN.**

### Emergency or Urgently Needed Care in an Emergency Room or Urgent Care Center

Please refer to "Emergency or Urgently Needed Care Through Your ELECT Open Access Plan" portion of "Introduction to Health Net," Section 100, and "Schedule of Benefits and Copayments - ELECT 1," Section 200, for an explanation of your Emergency and Urgently Needed Care benefits. Emergency and Urgently Needed Care is covered under your ELECT 1 level of benefits only.

### Office Visits

	<b>Copayment</b>
Visit to Physician, Physician Assistant or Nurse Practitioner at a contracting Physician Group.....	\$30
Specialist consultation.....	\$30
Vision or hearing examination .....	\$30
Periodic Health Evaluation.....	\$30
Annual Physical Exams.....	Not Covered

### Allergy, Immunizations and Injections

	<b>Copayment</b>
Allergy testing.....	\$30
Allergy serum .....	\$0
Allergy injection services .....	\$30
Immunizations for occupational purposes or foreign travel .....	\$30
Other immunizations .....	\$30
Injections for Infertility .....	Not Covered
All other injections.....	\$30

### Other Professional Services

	<b>Copayment</b>
Administration of local anesthetics*.....	\$0
Laboratory and x-ray services .....	\$0
Outpatient surgery* .....	\$0

#### Note

\* For services performed only in a Physician's office.

Certain Laboratory and x-ray services, including MRI, MUGA, PET and SPECT are not covered under ELECT 2.

### Rehabilitation Therapy

	<b>Copayment</b>
Physical therapy .....	\$30
Occupational therapy .....	\$30

Speech therapy .....	\$30
Pulmonary rehabilitation therapy .....	\$30
Cardiac rehabilitation therapy .....	\$30

**Limitation**

All rehabilitation therapy services are limited to a combined maximum of 12 visits each Calendar Year.

**Notes**

Coverage for physical, occupational and speech rehabilitation therapy services is subject to certain limitations as described under the heading "Rehabilitation Therapy" in "Exclusions and Limitations," Section 700.

All Rehabilitation services must be performed in a Physician's office to be covered.

**Prescription Drugs**

Prescription Drugs are covered when prescribed by Exclusive Providers. Please refer to "Prescription Drugs" portion of "Schedule of Benefits and Copayments – ELECT 1" Section 200, for the Copayment information. For such a complete description of Prescription Drug benefits, exclusions and limitations, please refer to the "Prescription Drugs" portion of "Covered Services and Supplies," Section 600, and the "Exclusions and Limitations" Section 700, of this *Evidence of Coverage*.

**Mental Disorders and Chemical Dependency**

Mental Disorder and Chemical Dependency benefits are covered through the Behavioral Health Administrator. Please refer to the "ELECT 1 Mental Disorder and Chemical Dependency" portion of "Covered Services and Supplies," Section 600, for further information regarding your Mental Disorder and Chemical Dependency benefits.



## ELIGIBILITY, ENROLLMENT AND TERMINATION

### Who Is Eligible for Coverage

The covered services and supplies of this Plan are available to the following people as long as they live in the continental United States and either work or live in the Health Net Service Area and meet any additional eligibility requirements of the Group and this *Evidence of Coverage*:

- Subscriber: The principal Member (employee).
- Spouse: The Subscriber's lawful spouse as defined by California law.
- Children: The unmarried dependent children of the Subscriber or his or her spouse (including legally adopted children and stepchildren).
- Wards: Children for whom the Subscriber or his or her spouse is a court-appointed guardian.
- Domestic Partners of Subscribers: Effective December 25, 2004, Domestic Partners of the Subscriber as described below and the unmarried dependent children of such Domestic Partners are eligible for coverage under this Evidence of Coverage. The Domestic Partner and Subscriber must:
  1. Have a common residence.
  2. Agree to be jointly responsible for each other's basic living expenses incurred during the domestic partnership.
  3. Not be married or a member of another domestic partnership.
  4. Not be related by blood in a way that would prevent them from being married to each other in this state.
  5. Be at least 18 years of age.
  6. Either of the following:
    - Be members of the same sex; or
    - Be members of the opposite sex and one or both be eligible for Social Security benefits and one or both be over the age of 62.
  7. Be capable of consenting to the domestic partnership.
  8. Neither has previously filed a Declaration of Domestic Partnership with the Secretary of State that has not been terminated in accordance with the law.
  9. Both file a Declaration of Domestic Partnership with the Secretary of State.

***Children of the Subscriber or spouse who are the subject of a Medical Child Support Order, according to state or federal law, are eligible even if they live outside the Health Net Service Area.***

### **Age Limit for Children**

Each unmarried child is eligible until the age of 19 (the limiting age). There are two instances when eligibility continues beyond the limiting age.

Eligibility continues until age 24 for a child who:

- Is enrolled as a full-time student, unmarried and attends a certified school and
- Depends on the Subscriber for at least 50% of his or her economic support.

A child loses eligibility if he or she marries, ceases to be a full-time student or stops being 50% financially dependent on the Subscriber after age 19.

A full-time student is one taking at least nine semester units (or equivalent hours) in a qualified college, university or vocational school.

## Disabled Child

A child who is over the age limit shown above is eligible for coverage if **all** of the following conditions apply:

- The child cannot hold a full-time job because of a mental or physical disability that began before the child reached the age limit;
- The child is not married; and
- The child has remained continuously dependent on the Subscriber for at least 50% of his or her economic support since he or she became disabled.

If you are *enrolling* a disabled child for new coverage, you must provide Health Net with proof of incapacity and dependency within 30 days of the date you apply for the child's coverage.

If you are *continuing* coverage for a disabled child, you must provide Health Net with proof of incapacity and dependency within 30 days of the date the child reaches the age limit.

You must provide the proof of incapacity and dependency at no cost to Health Net.

A disabled child may remain covered by this Plan for as long as he or she remains incapacitated and continues to meet the eligibility criteria described above.

## How to Enroll for Coverage

Notify the Group that you want to enroll an eligible person. The Group will send the request to Health Net according to current procedures.

## Employee

Eligible employees must enroll within 30 days of the date they first become eligible for this Plan. Eligible Family Members may also be enrolled at this time (see "Who Is Eligible for Coverage" above in this section).

If enrollment of the eligible employee or eligible Family Members does not occur within this time period, enrollment may be carried out as stated below in "Late Enrollment Rule" provision of this section.

The employee may enroll on the earlier of the following dates:

- When this Plan takes effect, if the employee is eligible on that date.
- When any waiting or probationary period required by the Group has been completed.

Eligible employees who enroll in this Plan are called Subscribers.

## Newly Acquired Dependents

You are entitled to enroll newly acquired dependents as follows:

**Spouse:** If you are the Subscriber and you marry while you are covered by this Plan, you may enroll your new spouse (and your spouse's eligible children) within 30 days of the date of marriage. Coverage begins either on the date of marriage or on the first day of the calendar month following the date of marriage, according to the rules established by your Group.

**Newborn Child:** A child newly born to the Subscriber or his or her spouse is automatically covered from the moment of birth through the 30th day of life. In order for coverage to continue beyond the 30th day of life, you must enroll the child within the 30th day.

If the mother is the Subscriber's spouse and an enrolled Member, the child will be assigned to the mother's Physician Group under ELECT 1. If the mother is not enrolled, the child will be automatically assigned to the Subscriber's Physician Group. If you want to choose another contracting Physician Group for that child, the transfer will take effect only as stated in "Transferring to Another Contracting Physician Group" portion of this section.

**Adopted Child:** A newly adopted child or a child who is being adopted, becomes eligible on the date the birth parent or appropriate legal authority grants the Subscriber or his or her spouse, in writing, the right to control the child's health care.

The child will be assigned to the Subscriber's Physician Group under ELECT 1.

Coverage begins automatically and will continue for 30 days from the date of eligibility. You must enroll the child before the 30th day for coverage to continue beyond the first 30 days. If you want to choose another contracting Physician Group for that child, the transfer will take effect only as stated in "Transferring to Another Contracting Physician Group" portion of this section.

Your Employer will require written proof of the right to control the child's health care when you enroll him or her.

**Legal Ward (Guardianship):** If the Subscriber or spouse becomes the legal guardian of a child, the child is eligible to enroll on the effective date of the court order, but coverage is not automatic. The child must be enrolled within 30 days of the effective date of the guardianship. Coverage will begin on the first day of the month after Health Net receives the enrollment request.

Your Employer will require proof that the Subscriber or spouse is the court-appointed legal guardian.

### **In Hospital at Time of Enrollment**

If you are confined in a Hospital or Skilled Nursing Facility on the Effective Date of coverage, this Plan will cover the remainder of that confinement only if you inform Health Net's Member Services Department at the time of your enrollment about the confinement.

Health Net and your selected Physician Group will consult with your attending Physician and may transfer you to a participating facility when medically appropriate.

### **Late Enrollment Rule**

Health Net's late enrollment rule requires that if an individual does not enroll within 30 days of becoming eligible for coverage, he or she must wait until the next Open Enrollment Period to enroll. (Time limits for enrolling are explained in "Employee" or "Newly Acquired Dependents" provisions above.)

The term "form" within this section may include electronic enrollment forms or enrollment over the phone. Electronic enrollment forms or phone enrollments are deemed signed when you use your employer's enrollment system to make or confirm changes to your benefit enrollment.

You may have decided not to enroll upon first becoming eligible. At that time, your Group should have given you a form to review and sign. It would have contained information to let you know that there are circumstances when you will not be considered a late enrollee.

If you later change your mind and decide to enroll, Health Net can impose its late enrollment rule. This means that individuals identified on the form you signed will not be allowed to enroll before the next Open Enrollment Period. However, there are exceptions to this rule.

### **Exceptions to Late Enrollment Rule**

If any of the circumstances below are true, the late enrollment rule will not apply to you.

#### **1. You Did Not Receive a Form to Sign or a Signed Form Cannot Be Produced**

If you chose not to enroll when you were first eligible, the late enrollment rule will not apply to you if

- You never received from your employer or signed, a form explaining the consequences of your decision; or
- The signed form exists, but cannot be produced as evidence of your informed decision.

#### **2. You Do Not Enroll Because of Other Coverage and Later the Other Coverage Is Lost**

If you declined coverage in this Plan and you stated on the form that the reason you were not enrolling was because of coverage through another group health plan and coverage is or will be lost for any of the following reasons, the late enrollment rule will not apply to you.

- The subscriber of the other plan has ceased being covered by that other plan (except for either failure to pay premium contributions or a "for cause" termination such as fraud or misrepresentation of an important fact).
- The other plan is terminated and not replaced with other group coverage.
- The other employer stops making contributions toward employee's or dependent's coverage.
- The other subscriber or employee dies.

- The Subscriber and spouse are divorced or legally separated and this causes loss of the other group coverage.
- The other coverage was federal COBRA or California Small Employer COBRA and the period of coverage ends.

### 3. Multiple Health Plans

If you are enrolled as a dependent in a health plan (not Health Net) and the subscriber, during open enrollment, chooses a different plan (such as moving from an HMO plan to a fee-for-service plan) and you do not wish to continue to be covered by it, you will not be considered a late enrollee should you decide to enroll in this Plan.

### 4. Court Orders

If a court orders the Subscriber to provide coverage for a spouse (a current spouse, not a former spouse) or orders the Subscriber or enrolled spouse to provide coverage for a minor child through Health Net, that spouse or child will not be treated as a late enrollee.

If the exceptions in 2, 3 or 4 above apply, you must enroll within 30 days of either the loss of coverage or the date of the court order. If you wait longer than 30 days to enroll, you will be a late enrollee and you may not enroll until the next Open Enrollment Period.

## Special Enrollment Rule For Newly Acquired Dependents

If an employee gains new dependents due to childbirth, adoption or marriage the following rules apply:

### If the Employee Is Enrolled in this Plan

If you are covered by this Plan as a Subscriber, you can enroll your new dependent if you request enrollment within 30 days after childbirth, marriage, adoption or placement for adoption.

More information about enrolling new dependents and their effective date of coverage is available above under the heading "How to Enroll for Coverage" and the subheading "Newly Acquired Dependents."

### If the Employee Declined Enrollment in this Plan

If you previously declined enrollment in this Plan because of other group coverage and you gain a new dependent due to childbirth, marriage, adoption, placement for adoption or a court orders you to provide coverage for a dependent child, you can enroll yourself and the dependent within 30 days of birth, marriage, adoption, placement for adoption or the date a Medical Child Support Order is issued. In addition, any other Family Members who are eligible for coverage may enroll at the same time as you and the new dependent. You no longer have to wait for the next Open Enrollment Period and whether or not you are covered by another group plan has no effect on this right.

If you do not enroll yourself, the new dependent and any other Family Members within 30 days of acquiring the new dependent, you will have to wait until the next Open Enrollment Period to do so.

The Effective Date of coverage for you and all Family Members who enroll within 30 days of childbirth, marriage, adoption, placement for adoption or the date a Medical Child Support Order is issued will be the same as for the new dependent.

- In the case of childbirth, the effective date will be the moment of birth.
- For marriage, the effective date will be either on the date of marriage or the first day of the Pay Period following the date of marriage, according to the rules established by your Group.
- Regarding adoption, the effective date will be the date the birth parent or appropriate legal authority grants the employee or his or her spouse, in writing, the right to control the child's health care.
- In the case of a Medical Child Support Order, the effective date will be the date the order is issued.

### Note

When you (the employee) are not enrolled in this Plan and you wish to have coverage for a newborn or adopted child who is ill, please contact your employer as soon as possible and ask that you (the employee) and the newborn or adopted child be enrolled. An employee must be enrolled in order for his or her eligible dependent to be enrolled.

While you have 30 days within which to enroll the child, until you and your child are formally enrolled and recorded as Members in our computer system, we cannot verify coverage to any inquiring medical provider.

### **Transferring to Another Contracting Physician Group**

As stated in "Selecting a Contracting Physician Group" portion of "Introduction to Health Net," Section 100, each person must select a contracting Physician Group close enough to his or her residence or place of work to allow reasonable access to care. Please call the Member Services Department at the number shown on your Health Net ID Card, if you have questions involving reasonable access to care.

Any individual Member may change Physician Groups, that is, transfer from one to another:

- When the Group's Open Enrollment Period occurs;
- When the Member moves to a new address (notify Health Net in writing within 30 days of the change);
- When the Member's employment work-site changes (notify Health Net in writing within 30 days of the change);
- When determined necessary by Health Net; or
- When the Member exercises the once-a-month transfer option.

#### **Exceptions**

Health Net will not permit a once-a-month transfer at the Member's option if the Member is confined to a Hospital. However, if you believe you should be allowed to transfer to another contracting Physician Group because of unusual or serious circumstances and you would like Health Net to give special consideration to your needs, please contact the Member Services Department at the telephone number on your Health Net ID Card for prompt review of your request.

#### **Effective Date of Transfer**

If we receive your request for a transfer on or before the 15th day of the month, the transfer will occur on the first day of the following month. (Example: Request received March 12, transfer effective April 1.)

If we receive your request for a transfer on or after the 16th day of the month, the transfer will occur on the first day of the second following month. (Example: Request received March 17, transfer effective May 1.)

If your request for a transfer is not allowed because of a hospitalization and you still wish to transfer after the medical condition or treatment for it has ended, please call the Member Services Department at the number shown on your Health Net ID Card to process the transfer request. The transfer in a case like this will take effect on the first day of the calendar month following the date the treatment for the condition causing the delay ends.

For a newly eligible child who has been automatically assigned to a contracting Physician Group, the transfer will not take effect until the first day of the calendar month following the date the child first becomes eligible. (Automatic assignment takes place with *newborn* and *adopted* children and is described in "How to Enroll for Coverage" provision earlier in this section.)

### **When Coverage Ends**

You must notify the Group of changes that will affect your eligibility. The Group will send the appropriate request to Health Net according to current procedures. Health Net is not obligated to notify you that you are no longer eligible or that your coverage has been terminated.

#### **All Members**

All Members become ineligible for coverage at the same time if:

- The Subscriber loses eligibility for this Plan; or
- The Group Service Agreement (between the Group and Health Net) is terminated, including termination due to nonpayment of subscription charges by the Group.

The Group Service Agreement specifies the date and time such termination is effective.

**Individual Members**

Individual Members become ineligible on the date any of the following occurs:

- The Member no longer meets the eligibility requirements established by your Group and Health Net.  
This will include a child subject to a Medical Child Support Order, according to state or federal law, who becomes ineligible on the earlier of:
  1. The date established by the order.
  2. The date the order expired.
- The Member establishes primary residency outside the continental United States.
- The Member establishes primary residency outside the Health Net Service Area and does not work inside the Health Net Service Area.  
However, a child subject to a Medical Child Support Order, according to state or federal law, who moves out of the Health Net Service Area does not cease to be eligible for this Plan. But, while that child may continue to be enrolled, coverage of care received outside the Health Net Service Area under ELECT 1, will be limited to services provided in connection with Emergency Care or Urgently Needed Care.  
Follow-Up Care, routine care and all other benefits of the ELECT 1 Tier are covered only when authorized by the contracting Physician Group (medical) or the Behavioral Health Administrator (Mental Disorders and Chemical Dependency).
- The Member becomes eligible for Medicare and assigns Medicare benefits to another health maintenance organization or competitive medical plan.
- A Member becomes a legally emancipated minor according to state law.
- The Subscriber's marriage ends by divorce, annulment or some other form of dissolution. Eligibility for the Subscriber's enrolled spouse (now former spouse) and that spouse's enrolled dependents, who were related to the Subscriber only because of the marriage, will end.

**Termination for Cause**

Health Net has the right to terminate your coverage from this Plan under certain circumstances. The following are examples of circumstances that may result in a termination:

- **Disruptive or Threatening Behavior:** Your coverage may be terminated upon the date the notice of termination is mailed if you threaten the safety of the health care provider, his or her office staff, the contracting Physician Group or Health Net if such behavior does not arise from a diagnosed illness or condition. In addition, your coverage may be terminated upon 15 days prior written notice if you repeatedly or materially disrupt the operations of the Physician Group or Health Net to the extent that your behavior substantially impairs Health Net's ability to furnish or arrange services for you or other Health Net Members, or substantially impairs the Physician's office or contracting Physician Group's ability to provide services to other patients.
- **Misrepresentation or Fraud:** Your coverage may be terminated at midnight on the date the notice of termination is mailed if you knowingly omit or misrepresent a meaningful fact on your enrollment form or fraudulently or deceptively use Health Net, its contracting Physician Groups or other health care providers (or knowingly allow another person to do the same), including altering a prescription.

If coverage is terminated for any of the above reasons, you forfeit all rights to enroll in the Health Net conversion plan, COBRA plan or any plan that is owned or operated by Health Net's parent company or its subsidiaries and lose the right to re-enroll in Health Net in the future.

Health Net will conduct a fair investigation of the facts before any termination for any of the above reasons is carried out.

Your health status or requirements for health care services will not determine eligibility for coverage. If you believe that coverage was terminated because of health status or the need for health services, you may request a review of the termination by the Director of the California Department of Managed Health Care.

**Coverage Options Following Termination**

If coverage through this Plan ends, the terminated Member may be eligible for additional coverage.

- **COBRA Continuation Coverage:** Many groups are required to offer continuation coverage by the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). For most Groups with 20 or more employees, COBRA applies to employees and their eligible dependents, even if they live outside California. Please check with your Group to determine if you are eligible.

**Cal-COBRA Continuation Coverage:** If you began receiving federal COBRA coverage on or after January 1, 2003, have exhausted federal COBRA coverage and have had less than 36 months of COBRA coverage, you have the opportunity to continue group coverage under this *Evidence of Coverage* through Cal-COBRA for up to 36 months from the date that federal COBRA coverage began.

**Health Net Will Offer Cal-COBRA to Members:** Health Net will send Members whose federal COBRA coverage is ending by U.S. mail information on Cal-COBRA rights and obligations along with the necessary premium information, enrollment forms, and instructions to formally choose Cal-COBRA Continuation Coverage. This information will be sent with the notice of pending termination of federal COBRA.

**Choosing Cal-COBRA:** If a Member wishes to choose Cal-COBRA Continuation Coverage, he or she must deliver the completed enrollment form (described immediately above) to Health Net by first class mail, personal delivery, express mail, or private courier company. The address appears on the ID card and on the back cover of this *Evidence of Coverage*.

The Member must deliver the enrollment form to Health Net within 60 days of the later of (1) the Member's termination date for COBRA coverage or (2) the date he or she received a notice from Health Net that he or she has the right to Cal-COBRA Continuation.

**Payment for Cal-COBRA:** The Member must pay Health Net 110% of the applicable group rate charged for employees and their dependents.

The Member must submit the first payment within 45 days of delivering the completed enrollment form to Health Net in accordance with the terms and conditions of the health Plan contract. The first payment must cover the period from the last day of prior coverage to the present. There can be no gap between prior coverage and Cal-COBRA Continuation Coverage. The Member's first payment must be delivered to Health Net by first-class mail, certified mail, or other reliable means of delivery, including personal delivery, express mail, or private courier company. If the payment covering the period from the last day of prior coverage to the present is not received within 45 days of providing the enrollment form to Health Net, the Member's Cal-COBRA election is not effective and no coverage is provided.

All subsequent payments must be made on the first day of each month. If the payment is late, the Member will be allowed a grace period of 30 days. Fifteen days from the due date (the first of the month), Health Net will send a letter warning that coverage will terminate 15 days from the date on the letter. If the Member fails to make the payment within 15 days of the notice of termination, enrollment will be canceled by Health Net. If the Member makes the payment before the termination date, coverage will be continued with no break in coverage. Amounts received after the termination date will be refunded to the Member by Health Net within 20 business days.

**Employer Replaces Previous Plan:** There are two ways the Member may be eligible for Cal-COBRA Continuation Coverage if the employer replaces the previous plan:

1. If the Member had chosen Cal-COBRA Continuation Coverage through a previous plan provided by his or her current employer and replaced by this Plan because the previous policy was terminated, or
2. If the Member selects this Plan at the time of the employer's open enrollment.

The Member may choose to continue to be covered by this Plan for the balance of the period that he or she could have continued to be covered by the prior group plan. In order to continue Cal-COBRA coverage under the new plan, the Member must request enrollment and pay the required premium within 30 days of receiving notice of the termination of the prior plan. If the Member fails to request enrollment and pay the premium within the 30-day period, Cal-COBRA continuation coverage will terminate.

**Employer Replaces this Plan:** If the agreement between Health Net and the employer terminates, coverage with Health Net will end. However, if the employer obtains coverage from another insurer or HMO, the Member may choose to continue to be covered by that new plan for the balance of the period that he or she could have continued to be covered by the Health Net plan.

When Does Cal-COBRA Continuation Coverage End? When a Qualified Beneficiary has chosen Cal-COBRA Continuation Coverage, coverage will end due to any of the following reasons:

1. 36 months from your original COBRA effective date (under this or any other plan).\*
2. The Member becomes entitled to Medicare, that is, enrolls in the Medicare program.
3. The Member fails to pay the correct premium amount on the first day of each month as described above under "Payment for Cal-COBRA."
4. The date your Group's Agreement with Health Net terminates. (See "Employer Replaces this Plan.")
5. The Member becomes covered by another group health plan that does not contain a pre-existing condition limitation preventing the individual from receiving the full benefits of that plan.

If the Member becomes covered by another group health plan that does contain a pre-existing condition limitation preventing the individual from receiving the full benefits of that plan, coverage through this Plan will continue. Coordination of Benefits will apply, and Cal-COBRA plan will be the primary plan.

\*The COBRA effective date is the date the Member first became covered under COBRA continuation coverage.

- **Additional COBRA-like Coverage (Senior-COBRA):** California law provides that an employee and his or her spouse who elected COBRA or CAL-COBRA coverage following termination of employment may be entitled to additional COBRA-like coverage.

If the Subscriber was 60 years of age or older on the date of his or her termination of employment and had worked for the Group for the previous five years, the Subscriber and his or her spouse may be eligible for additional coverage when federal COBRA or CAL-COBRA coverage expires. Additionally, a former spouse of an employee or former employee whose coverage under COBRA or Cal-COBRA expires may be entitled to additional COBRA-like coverage.

You may request additional information from Health Net. If you wish to purchase this additional COBRA-like coverage, you must notify Health Net in writing of your wish to do so within 30 calendar days prior to the date continuation coverage under COBRA or CAL-COBRA is scheduled to end.

- **USERRA Coverage:** Under a federal law known as the Uniformed Services Employment and Reemployment Rights Act (USERRA), employers are required to provide employees who are absent from employment to service in the uniformed services and their dependents who would lose their group health coverage, the opportunity to elect continuation coverage for a period of up to 18 months. Please check with your Group to determine you are eligible.
- **Conversion Coverage:** Described below in the subsection titled "Conversion Coverage."
- **Extension of Benefits:** Described below in the subsection titled "Extension of Benefits."
- **HIPAA Guaranteed Issue Coverage:** The federal Health Insurance Portability and Accountability Act (HIPAA) makes it easier for people covered under existing group health plans to maintain coverage regardless of pre-existing conditions when they change jobs or are unemployed for brief periods of time. California law provides similar and additional protections. Applicants who meet the following requirements are eligible to enroll in a guaranteed issue individual health plan from any health plan that offers individual coverage, including Health Net's Guaranteed HMO Plans, without medical underwriting. A health plan cannot reject your application for guaranteed issue individual health coverage if you meet the following requirements, agree to pay the required premiums and live or work in the plan's service area. Specific Guaranteed Issue rates apply. Only eligible individuals qualify for guaranteed issuance. To be considered an eligible individual:
  1. The applicant must have a total of 18 months of coverage (including COBRA, if applicable) without a significant break (excluding any employer-imposed waiting periods) in coverage of more than 63 days.
  2. The most recent coverage must have been under a group health plan. COBRA and Cal-COBRA coverage are considered group coverage.
  3. The applicant must not be eligible for coverage under any group health plan, Medicare or Medicaid, and must not have other health insurance coverage.



4. The individual's most recent coverage could not have been terminated due to fraud or nonpayment of premiums.
5. If COBRA or Cal-COBRA coverage was available, it must have been elected and such coverage must have been exhausted.

For more information regarding guarantee issue coverage through Health Net please call the Individual Sales Department at **1-800-909-3447**. If you believe your rights under HIPAA have been violated, please contact the Department of Managed Health Care at **1-888-HMO-2219** or visit the Department's website at [www.hmohelp.ca.gov](http://www.hmohelp.ca.gov).

## Extension of Benefits

### When Benefits May Be Extended

Benefits may be extended beyond the date coverage would ordinarily end if:

- You lose your Health Net coverage because the Group Service Agreement is discontinued and you are *totally disabled* at that time or
- You lose your coverage for any reason other than discontinuance of the Group Service Agreement and you are a *registered bed patient* in a Hospital or Skilled Nursing Facility when coverage ends and the hospitalization was covered by this Plan.

When benefits are extended, you will not be required to pay subscription charges. However, the Copayments shown in "Schedule of Benefits and Copayments - ELECT 1," Section 200, and "Schedule of Benefits and Copayments - ELECT 2," Section 400, will continue to apply.

Benefits will only be extended for the condition you were hospitalized for or the condition that caused you to become totally disabled. Benefits will not be extended for other medical conditions.

Benefits will not be extended if coverage was terminated for cause as stated in "Termination for Cause or Involuntary Transfer to Another Primary Care Physician or Contracting Physician Group" provision of "Eligibility, Enrollment and Termination," Section 500.

**"Totally disabled"** has a different meaning for different Family Members.

- For the Subscriber it means that because of an illness or injury, the Subscriber is unable to engage in employment or occupation for which he or she is or becomes qualified by reason of education, training or experience; furthermore, the Subscriber must not be employed for wage or profit.
- For a Family Member it means that because of an illness or injury, that person is prevented from performing substantially all regular and customary activities usual for a person of his or her age and family status.

### How to Obtain an Extension

#### Member Is Confined to a Hospital

If you are confined to a Hospital or Skilled Nursing Facility when your coverage ends, benefits will be extended to you automatically. You do not have to do anything to make it happen.

When you are discharged from a Hospital or Skilled Nursing Facility, no further extension is available, unless your coverage ended because the Group Service Agreement ended.

If your coverage ended because the Group Service Agreement between Health Net and the Group was terminated and you are totally disabled and want to continue to have extended benefits, you must send a written request to Health Net within ninety (90) days of the discharge date. The request must include your Physician Group's written certification that you are totally disabled.

#### Member Is **Not** Confined to a Hospital

If a Member is totally disabled and not confined to a Hospital or Skilled Nursing Facility when the Agreement ends, send a written request to Health Net within 90 days of the date the Agreement terminates. The request must include written certification by the Member's Physician Group that the Member is totally disabled.

If benefits are extended because of total disability, provide Health Net with proof of total disability at least once every 90 days during the extension. The Member must ensure that Health Net receives this proof before the end of each 90-day period.

### **When the Extension Ends**

The Extension of Benefits will end on the *earliest* of the following dates:

**For extensions provided only because of Hospital confinement:** If the Agreement between Health Net and the Group has not been terminated, then the Extension of Benefits will end on the earliest of the following dates:

- On the date the Member is discharged from the Hospital or Skilled Nursing Facility, even if the total disability continues.
- On the date the Member becomes covered by another private or group health insurance policy or plan.
- On the date that available benefits are exhausted.

**For extensions provided because of total disability which may or may not involve hospitalization:** If the Agreement between Health Net and the Group has been terminated, then the extension of benefits will end on the earliest of the following dates:

- On the date the Member is no longer totally disabled;
- On the date the Member becomes covered by a replacement health policy or plan obtained by the Group and this coverage has no limitation for the disabling condition;
- On the date that available benefits are exhausted; or
- On the last day of the 12-month period following the date the extension began, unless the Member is confined in a Hospital or Skilled Nursing Facility on that date for the disabling condition.

### **Other Coverage Affecting Extension of Benefits**

#### **Other Group Coverage**

Extended benefits will end as stated in the section immediately above titled "When the Extension Ends."

If other group coverage exists that does not cause the extension of benefits to end, such as coverage through a new job or coverage that existed before the loss of Health Net coverage, Health Net will obtain reimbursement from the other plan through the Coordination of Benefits process.

Also, when another health maintenance organization (HMO) provides that coverage, Health Net may arrange for that HMO to be responsible for continuing medical care.

#### **COBRA Continuation Coverage**

If your Health Net coverage continues because you were eligible for and obtained federal COBRA continuation coverage, you have not yet lost your Health Net coverage. If you are still totally disabled when the COBRA continuation coverage ends, you may try to obtain an extension as described above in the section titled "How to Obtain an Extension."

#### **Conversion Coverage**

Conversion coverage affects extension of benefits when:

- You receive an extension of the benefits of this Plan; and
- You have also elected conversion coverage and it is in force.

Whichever coverage provides the higher benefits will be applied toward the disabling condition. Refer to "Conversion Privilege" section immediately below.

### **Conversion Privilege**

You may convert your coverage to an HMO conversion plan.

#### **Who Is Eligible for Conversion Coverage**

Except as specified below, if you lose coverage in this Plan, you have the right to purchase individual coverage through the Health Net conversion plan without being required to complete a health statement.

You must pay the cost of conversion coverage (called subscription charges). Please note, however, that *the benefits, as well as the subscription charges, will not be the same as coverage through this Group Plan.*

**Who Is Not Eligible for Conversion Coverage**

The following people are not eligible for conversion coverage:

- Anyone who lives outside the continental United States and who does not either live or work inside the Health Net Service Area;
- Anyone whose coverage was terminated for cause as stated in "Termination for Cause or Involuntary Transfer to Another Primary Care Physician or Contracting Physician Group" portion of this section;
- Anyone who is covered by another group or individual health plan; or
- Anyone who was not covered by this Plan.

**How to Apply for Conversion Coverage**

Request an application from Health Net. You must complete the application form and send it to Health Net within 63 days of the last day of coverage.

Anyone eligible to enroll in the Health Net conversion plan who does not enroll when group coverage ends will not be allowed to do so at a later date.

Conversion coverage must become effective immediately following the date group coverage ends. There can be no lapse in coverage. The Member must pay all required subscription charges or premiums to ensure that coverage is continuous.



## COVERED SERVICES AND SUPPLIES

Under ELECT 1 you are entitled to receive Medically Necessary services and supplies described below when they are authorized according to procedures Health Net and the contracting Physician Group have established.

With ELECT 2 you may refer to the Health Net Network Directory for an ELECT 2 Preferred Provider of your choice to provide to you the ELECT 2 benefits described below. Services by certain Preferred Providers may be covered only when a medical doctor (M.D.) or doctor of osteopathy (D.O.) refers you to them. Please refer to the definition of "Physician" in "Definitions," Section 1000, of this *Evidence of Coverage* for more details.

The fact that a Physician or other provider may perform, prescribe order, recommend or approve a service, supply or hospitalization does not, in itself, make it Medically Necessary or make it a covered service.

Any covered service or supply may require a Copayment or have a benefit maximum. Please refer to "Schedule of Benefits and Copayments - ELECT 1," Section 200, or "Schedule of Benefits and Copayments - ELECT 2," Section 400, for details.

*In order for a service or supply to be covered, it must be Medically Necessary and authorized according to procedures Health Net has established. Any covered service may require a Copayment or have a benefit limit. Refer to your "Schedule of Benefits and Copayments – ELECT 1," Section 200, and "Schedule of Benefits and Copayments – ELECT 2," Section 400, of this Evidence of Coverage for details.*

*Certain limitations may apply. Be sure you read the section entitled "Exclusions and Limitations," Section 700, before obtaining care.*

### **Medical Services and Supplies**

#### **ELECT 1 and ELECT 2**

##### **Cardiac Rehabilitation Therapy**

Rehabilitation therapy services provided in connection with the treatment of heart disease is covered when Medically Necessary.

##### **Health Evaluations**

For preventive health purposes, a periodic health evaluation and diagnostic preventive procedures are covered, based on recommendations published by the U.S. Preventive Services Task Force.

##### **Immunizations and Injections**

Immunizations and injections, professional services to inject the medications and the medications that are injected are covered. Allergy serum is specifically included.

Physicians will provide immunizations that are recommended by guidelines published by the Advisory Committee on Immunization Practices (ACIP) of the U.S. Public Health Service or the American Academy of Pediatrics (AAP).

In addition, injectable medications approved by the FDA are covered for Medically Necessary treatment of medical conditions when prescribed by the Member's Primary Care Physician and authorized by Health Net.

##### **Laboratory and X-ray Services**

Laboratory and x-ray services and materials are covered. Under ELECT 2 Laboratory and x-ray services are covered only when performed in a Physician's office.

##### **Office Visits**

Office visits for services by a Physician are covered. Also covered are office visits for services by other health care professionals. To receive ELECT 1 level benefits you will need to be referred by your Primary Care Physician.

##### **Preventive Care**

Diagnostic procedures such as mammography, Pap smears, pelvic exams, breast exams, sigmoidoscopy and prostate cancer screening are covered for ages 18 and older.

**Preventive care for children**

Office visits for the evaluation and management for the child's physical development for prevention of future medical problems as well as laboratory tests and x-rays are covered. Newborn preventative care is covered for the first 30 days of the infant's life. Preventive care for children is covered up to but not including age 18.

**Pulmonary Rehabilitation Therapy**

Rehabilitation therapy services provided in connection with the treatment of chronic respiratory impairment is covered when Medically Necessary.

**Rehabilitation Therapy**

Rehabilitation therapy services (physical, speech and occupational therapy) are covered when Medically Necessary except as stated in "Exclusions and Limitations," Section 700.

**Surgical Services**

Services by a surgeon, assistant surgeon and anesthetist or anesthesiologist are covered. Under ELECT 2, these services are covered only when performed in a Physician's office.

**Vision and Hearing Examinations**

Eye and ear examinations to determine the need for correction of vision and hearing are covered.

**ELECT 1 – Additional Benefits**

The following are medical services and supplies that are covered under your ELECT 1 benefits in addition to the benefits noted in "ELECT 1 and ELECT 2" portion of this subsection.

**Abortions**

Abortions (surgical or drug) are covered under your ELECT 1 benefits whether they are elective or Medically Necessary.

The contracting Physician Group and Health Net will determine whether an abortion is Medically Necessary or elective.

**Ambulance Services**

Air and ground ambulance services are covered.

The contracting Physician Group may order the ambulance themselves when they know of your need in advance for Emergency or Urgently Needed Care. If circumstances result in you or others ordering an ambulance, your Physician Group must still be contacted as soon as possible. (All paramedic ambulance and ambulance transport services provided as a result of a **911** emergency response system call will be covered, when the criteria for Emergency Care, as defined in this *Evidence of Coverage*, has been met.)

**Blood**

Blood transfusions, including blood processing, the cost of blood, unreplaced blood and blood products, are covered. However, self-donated (autologous) blood transfusions are covered only for a scheduled surgery that has been authorized as certified, as appropriate.

**Clinical Trials**

Routine patient care costs for patients diagnosed with cancer who are accepted into phase I, II, III or IV clinical trials are covered when Medically Necessary, recommended by the Member's treating Physician and authorized by Health Net. The Physician must determine that participation has a meaningful potential to benefit the Member and the trial has therapeutic intent. Services rendered as part of a clinical trial are subject to the reimbursement guidelines as specified in the law. The treatment shall be provided in a clinical trial that involves either a drug that is exempt from federal regulation in relation to a new drug application or is approved by one of the following:

- The National Institutes of Health;
- The FDA as an Investigational new drug application;
- The Department of Defense; or

- The Veterans' Administration.

The following definition applies to the terms mentioned in the above provision only.

"Routine patient care costs" are the costs associated with the standard provisions of Health Net, including drugs, items, devices and services that would normally be covered under this *Evidence of Coverage*, if they were not provided in connection with a clinical trials program.

Please refer to "Services and Supplies" portion of "Exclusions and Limitations" Section 700, for more information.

### **Diabetic Equipment**

Diabetic equipment is covered and may include (but is not limited to) blood glucose monitors (specific brands only), podiatric devices, insulin pumps and related supplies.

In addition diabetic supplies may be covered, please refer to the "Prescription Drugs" portion of this section for additional information.

Self-management training and education will be covered, only when provided by licensed health care professionals with expertise in the management or treatment of diabetes.

### **Durable Medical Equipment**

Durable Medical Equipment, which includes but is not limited to wheelchairs, crutches and Hospital beds, is covered and will be repaired or replaced when necessary. However, repair or replacement for loss or misuse is not covered. Health Net will decide whether to repair or replace an item.

### **Family Planning**

Counseling, planning and other services for problems of fertility are covered.

Included in these other services are:

- Fitting examination for a vaginal contraceptive device (diaphragm and cervical cap) and
- Inserting an intrauterine device (IUD).

Infertility services (including artificial insemination) and supplies are also covered, but there are significant exclusions. Please refer to "Conception by Medical Procedures" portion of "Exclusions and Limitations," Section 700, for more information.

Please refer to "Schedule of Benefits and Copayments – ELECT 1," Section 200, under the heading "Family Planning" for information regarding contraceptives covered under the medical benefit. Additional contraceptive supplies and devices may be covered, refer to "Prescription Drugs" portion of this section under the heading "Contraceptives" for more information.

### **Home Health Care**

The services of a Home Health Care Agency in the Member's home are covered.

Your Physician will set up a treatment plan describing the length, type and frequency of the services to be provided.

These services may include (but are not limited to) skilled nursing services, medical social services, infusion services and rehabilitation therapy (including physical, speech and occupational), pulmonary rehabilitation therapy and cardiac rehabilitation therapy. However, Custodial Care services, as described in "Definitions," Section 1000, of this *Evidence of Coverage*, are not covered. This treatment plan will be reviewed in the authorization or Certification process. Only part-time or intermittent care is covered.

### **Home Visit**

Visits by a Physician to a Member's home are covered at the Physician's discretion in accordance with the rules and criteria set by Health Net, and if the Physician concludes that the visit is medically and otherwise reasonably indicated.

### **Hospice Care**

Hospice care is available for Members diagnosed as terminally ill by a Physician and the contracting Physician Group. To be considered terminally ill, a Member must have been given a medical prognosis of one year or less to live.

Hospice care includes Physician services, counseling, medications, other necessary services and supplies, and homemaker services. The Physician will develop a plan of care for a Member who elects Hospice care.

In addition, up to five consecutive days of inpatient care for the Member may be authorized to provide relief for relatives or others caring for the Member.

### **Inpatient Hospital Confinement**

Care in a room of two or more beds or in a licensed special treatment unit is covered. Benefits for a private room are limited to the Hospital's most common charge for a two bedroom, unless a private room is determined to be Medically Necessary.

### **Medical Social Services**

Hospital discharge planning and social service counseling are covered. In addition, if a Member needs services that this Plan does not cover and a medical social service worker refers that Member to providers or agencies for those services, the referral is covered even though the services are not.

### **Obstetrician and Gynecologist (OB/GYN) Self-Referral**

If you are a female Member you may obtain OB/GYN Physician services without first contacting your Primary Care Physician.

If you need OB/GYN preventive care, are pregnant or have a gynecology ailment, you may go directly to an OB/GYN specialist or a Physician who provides such services in your Physician Group.

If such services are not available in your Physician Group, you may go to one of the contracting Physician Group's referral Physicians who provides OB/GYN services. (Each contracting Physician Group can identify its referral Physicians.)

The OB/GYN Physician will consult with the Member's Primary Care Physician regarding the Member's condition, treatment and any need for Follow-Up Care.

Copayment requirements may differ depending on the service provided. Refer to "Schedule of Benefits and Copayments - ELECT 1," Section 200, and "Schedule of Benefits and Copayments - ELECT 2," Section 400.

### **Organ, Tissue and Bone Marrow Transplants**

Organ, tissue and bone marrow transplants that are not Experimental or Investigational, are covered only if the transplant is authorized by Health Net and performed at a Health Net designated transplant center.

Health Net has a specific network of Transplant Centers to perform organ, tissue and bone marrow transplants. Your Member Physician can provide you with information about those Transplant Centers. You will be directed to a designated Health Net Transplant Center at the time authorization is obtained.

Medical services, in connection with an organ, bone marrow or tissue transplant are covered as follows:

- For the enrolled Member who receives the transplant; and
- For the donor (whether or not an enrolled Member). Benefits are reduced by any amounts paid or payable by the donor's own coverage.

Organ donation extends and enhances lives and is an option that you may want to consider. For more information on organ donations, including how to elect to be an organ donor, please contact the Member Services Department at the telephone number on your Health Net ID Card or visit the Department of Health and Human Services organ donation website at [www.organdonor.gov](http://www.organdonor.gov).

### **Outpatient Hospital Services**

Professional services, outpatient Hospital facility services and outpatient surgery performed in a Hospital or outpatient surgery center are covered.

Professional services performed in the outpatient department of a Hospital including but not limited to a visit to a Physician, rehabilitation therapy (including physical, occupational and speech therapy, pulmonary rehabilitation therapy cardiac rehabilitation therapy, laboratory tests, x-rays and radiation therapy are subject to the same Copayment which is required when these services are performed at your Physician group.



Copayments for surgery performed in a Hospital or outpatient surgery center may be different than Copayments for professional or outpatient Hospital facility services. Please refer to "Outpatient Hospital Services" in "Schedule of Benefits and Copayments - ELECT 1," Section 200, of this Evidence of Coverage for more information.

### **Patient Education**

Wellness and other educational programs, including diabetes management programs and counseling for conditions such as elevated cholesterol and obesity are covered. These programs provide information on how to prevent illness or injury and how to maintain good health. These services are provided by your Physician Group.

### **Pregnancy**

The coverage described below meets requirements for the Hospital length of stay under the **Newborns' and Mothers' Health Protection Act of 1996**.

Hospital and professional services for conditions of pregnancy are covered, including prenatal and postnatal care, delivery and newborn care. In cases of identified high-risk pregnancy, prenatal diagnostic procedures and genetic testing of the fetus are also covered. Please refer to "Schedule of Benefits and Copayments – ELECT1, Section 200, for copayment requirements.

When you give birth to a child in a Hospital, you are entitled to coverage of at least 48 hours of care following a vaginal delivery or at least 96 hours following a cesarean section delivery.

Your Physician will not be required to obtain authorization for a Hospital stay that is equal to or less than 48 hours following vaginal delivery or 96 hours following cesarean section. Longer stays in the Hospital and cesarean sections must be authorized under your ELECT 1 benefits.

You may be discharged earlier only if you and your Physician agree to it.

If you are discharged earlier, your Physician may decide, at his or her discretion, that you should be seen at home or in the office, within 48 hours of the discharge, by a licensed health care provider whose scope of practice includes postpartum care and newborn care. Your Physician will not be required to obtain authorization for this visit.

### **Phenylketonuria (PKU)**

Coverage for testing and treatment of phenylketonuria (PKU) includes formulas and special food products that are part of a diet prescribed by a Physician and managed by a licensed health care professional in consultation with a Physician who specializes in the treatment of metabolic disease. The diet must be deemed Medically Necessary to prevent the development of serious physical or mental disabilities or to promote normal development or function. Coverage is provided only for those costs which exceed the cost of a normal diet.

"Formula" is an enteral product for use at home that is prescribed by a Physician.

"Special food product" is a food product that is prescribed by a Physician for treatment of PKU and used in place of normal food products, such as grocery store foods. It does not include a food that is naturally low in protein.

### **Prosthetics and Corrective Appliances**

Internal and external prosthetic devices required to replace a body part are covered. Examples are artificial legs and surgically implanted hip joints and visual aids (excluding eyewear) to assist the visually impaired with proper dosing of insulin.

Also covered are internally implanted devices such as heart pacemakers.

In addition, prosthetic devices to restore symmetry after a Medically Necessary mastectomy are covered.

Health Net or the Member's Physician Group will select the provider or vendor for the items. If two or more types of medically appropriate devices or appliances are available, Health Net or the contracting Physician Group will determine which device or appliance will be covered. The device must be among those that the Food and Drug Administration has approved for general use.

Prosthetic devices will be replaced when no longer functional. However, repair or replacement for loss or misuse is not covered. Health Net will decide whether to replace or repair an item.

**Reconstructive Surgery**

Reconstructive surgery to restore and achieve symmetry including surgery performed to correct or repair abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, Infection, tumors or disease, to do either of the following:

- Improve function; or
- Create a normal appearance to the extent possible, unless the surgery offers only a minimal improvement in the appearance of the Member.

This does not include cosmetic surgery that is performed to alter or reshape normal structures of the body in order to improve appearance or dental services or supplies or treatment for disorders of the jaw except as set out under "Dental Services" and "Disorders of the Jaw" in "Exclusions and Limitations," Section 700.

Health Net and the contracting Physician Group determine the feasibility and extent of these services, except that, the length of Hospital stays related to mastectomies and lymph node dissections will be determined solely by the Physician and no prior authorization for determining the length of stay is required.

Includes reconstructive surgery to restore and achieve symmetry incident to mastectomy.

**Second Opinion by a Physician**

You have the right to request a second opinion when:

- Your Primary Care Physician or a referral Physician gives a diagnosis or recommends a treatment plan that you are not satisfied with;
- You are not satisfied with the result of treatment you have received;
- You are diagnosed with or a treatment plan is recommended for, a condition that threatens loss of life, limb or bodily function or a substantial impairment, including but not limited to a Serious Chronic Condition; or
- Your Primary Care Physician or a referral Physician is unable to diagnose your condition or test results are conflicting.

To request an authorization for a second opinion, contact your Primary Care Physician or Health Net's Member Services Department. Physicians at your Physician Group or Health Net will review your request in accordance with Health Net's procedures and timelines as stated in the second opinion policy. You may obtain a copy of this policy from Health Net's Member Services Department.

All authorized second opinions must be provided by a Physician who has training and expertise in the illness, disease or condition associated with the request.

**Skilled Nursing Facility**

Care in a room of two or more is covered. Benefits for a private room are limited to the Hospital's most common charge for a two-bed room, unless a private room is Medically Necessary.

A Member does not have to have been hospitalized to be eligible for Skilled Nursing Facility care.

Benefits are limited to the number of days of care stated in "Schedule of Benefits and Copayments - ELECT 1," Section 200.

**Surgically Implanted Drugs**

Surgically implanted drugs are covered under the medical benefit when Medically Necessary, and may be provided in an inpatient or outpatient setting.

**Prescription Drugs**

*Please read "Prescription Drugs" portion of "Exclusions and Limitations," Section 700.*

For Prescription Drugs dispensed through Nonparticipating Pharmacies, you must satisfy the Prescription Drug Calendar Year Deductible shown in the "Schedule of Benefits and Copayments – ELECT1" Section 200 before benefits for Prescription Drugs become payable by Health Net.

**Covered Drugs and Supplies**

Prescription Drugs must be dispensed for a condition, illness or injury that is covered by this Plan. Refer to "Exclusions and Limitations," Section 700, of this *Evidence of Coverage* to find out if a particular condition is not covered.

**Prescription Drugs in the Health Net Recommended Drug List include: Level I Drugs (Primarily Generic) and Level II Drugs (Primarily Brand)**

Prescription Drugs listed in the Health Net Recommended Drug List (also referred to as "the List") are covered when dispensed by Participating Pharmacies and prescribed by a Physician from your selected Physician Group, an authorized specialist or an emergent or urgent care Physician. Some Prescription Drugs require Prior Authorization from Health Net in order to be covered. The fact that a drug is listed in the Recommended Drug List does not guarantee that your Physician will prescribe it for you for a particular medical condition.

**Prescription Drugs NOT listed in the Health Net Recommended Drug List include: Level III Drugs**

Prescription Drugs not listed in the Health Net Recommended Drug List that are not excluded or limited from coverage are covered. A Member requesting a Prescription Drug that is not listed is responsible for a higher Copayment as shown in "Schedule of Benefits and Copayments - ELECT 1," Section 200. Some Prescription Drugs that are not on the List require Prior Authorization from Health Net in order to be covered.

In some cases a 30-consecutive-calendar-day supply of medication may not be an appropriate drug treatment plan according to the Food and Drug Administration (FDA) or Health Net's usage guidelines. If this is the case, the amount of medication dispensed may be less than a 30-consecutive-calendar-day supply. Medications taken on an "as-needed" basis may have a copayment based on a standard package, vial, ampoule, tube, or other standard units. In such a case, the amount of medication dispensed may be less than a 30-consecutive-calendar day supply. If medically necessary, your Physician may request a larger quantity from Health Net.

**Generic Equivalents to Brand Name Drugs**

Generic Drugs will be dispensed when a Generic Drug equivalent is available unless the Prescription Drug Order states "do not substitute," "dispense as written," or words of similar meaning in the Physician's handwriting, in which case he specified drug will be dispensed. However, when a Generic Drug equivalent is available and a Brand Name Drug is dispensed at your request, you must pay the following:

**Off-Label Drugs**

A Prescription Drug prescribed for a use that is not stated in the indications and usage information published by the manufacturer is covered only if the drug is:

- Approved by the Food and Drug Administration.
- Prescribed or administered by a participating licensed health care professional for the treatment of:
  1. A life-threatening condition; or
  2. A chronic and seriously debilitating condition in which the drug is determined to be Medically Necessary to treat such condition.
- Recognized for treatment of the life-threatening or chronic and seriously debilitating condition by one of the following:
  1. Drugs, Facts and Comparisons.
  2. The American Medical Association Drug Evaluations.
  3. The American Hospital Formulary Service Drug Information.
  4. The United States Pharmacopoeia Dispensing Information, Volume 1, "Drug Information for the Health Care Professional."
  5. Two articles from major peer reviewed medical journals that present data supporting the proposed off-label use or uses as generally safe and effective unless there is clear and convincing contradictory evidence presented in a major peer reviewed medical journal.
- Otherwise Medically Necessary

The following definitions apply to the terms mentioned in this provision only.

"Life-threatening" means either or both of the following:

- Diseases or conditions where the likelihood of death is high unless the course of the disease is interrupted.
- Diseases or conditions with potentially fatal outcomes, where the end point of clinical intervention is survival.

"Chronic and seriously debilitating" refers to diseases or conditions that require ongoing treatment to maintain remission or prevent deterioration and cause significant long-term morbidity.

### **Diabetic Drugs and Supplies**

Prescription drugs for the treatment of diabetes are covered. Diabetic supplies are also covered including but not limited to insulin needles and syringes (specific brands only), reusable pen delivery systems, disposable insulin needles and syringes, disposable insulin pen needles, blood glucose monitors and test strips (specific brands only), Ketone testing strips and lancets when used in monitoring blood glucose levels. Additional supplies may be covered, please refer to "Medical Services and Supplies" portion of this section for additional information. Refer to "Schedule of Benefits and Copayments - ELECT 1," Section 200, for details about the supply amounts that are covered at the applicable Copayment.

### **Smoking Cessation Coverage**

Drugs that require a prescription in order to be dispensed for the relief of nicotine withdrawal symptoms are covered for the course of therapy stated in "Prescription Drugs" portion of "Exclusions and Limitations," Section 700 of this *Evidence of Coverage* and if the Member is concurrently enrolled in a comprehensive smoking cessation behavioral support program. The prescribing Physician must request Prior Authorization for coverage. For information regarding smoking cessation behavioral support programs available through Health Net, contact Member Services at the telephone number on your Health Net ID card or visit the Health Net website at [www.healthnet.com](http://www.healthnet.com) (see "Wellsite").

### **Sexual Dysfunction Drugs**

Drugs that establish, maintain or enhance sexual functioning are covered for sexual dysfunction when Medically Necessary. These Prescription Drugs are covered up to a number of doses or tablets stated in "Prescription Drugs" portion of "Exclusions and Limitations" Section 700, of this *Evidence of Coverage*.

### **Oral Infertility Drugs**

Oral Infertility drugs are covered when prescribed by a Physician through ELECT 1. These drugs are not covered when prescribed by a Physician through ELECT 2.

### **Contraceptives**

Oral contraceptives and emergency contraceptives are covered. Vaginal contraceptives are limited to diaphragms and cervical caps and are only covered when a Member Physician performs a fitting examination and prescribes the device. Such devices are only available through a prescription from a pharmacy and limited to one fitting and prescription per Calendar Year unless additional fittings or devices are Medically Necessary. Injectable contraceptives are covered as a medical benefit when administered by a Physician.

Please refer to "Schedule of Benefits and Copayments – ELECT 1," Section 200, under the heading "Family Planning" for information regarding contraceptives covered under the medical benefit. Additional contraceptive supplies and devices may be covered, refer to "Medical Services and Supplies" portion of this section under the heading "Family Planning" for more information.

### **Appetite Suppressants or Drugs for Body Weight Reduction**

Drugs that require a prescription in order to be dispensed for the treatment of obesity are covered when Medically Necessary for the treatment of morbid obesity. The prescribing Physician must request Prior Authorization for coverage.

### **The Recommended Drug List**

#### **What Is the Health Net Recommended Drug List?**

The Health Net Recommended Drug List is the approved list of drugs which are covered. It was developed to identify the safest and most effective medications for Health Net Members while attempting to maintain affordable pharmacy benefits. We specifically suggest to all Health Net contracting Physicians and specialists that they refer

to this List when choosing drugs for patients who are Health Net Members. When your Physician prescribes medications listed in the Recommended Drug List, it is ensured that you are receiving a high quality and high value prescription medication. In addition, the Recommended Drug List identifies whether a Generic version of a Brand Name Drug exists and whether Prior Authorization is required. If the Generic version exists, it will be dispensed instead of the Brand Name version.

You may call the Member Services Department at the telephone number on your Health Net ID Card to find out if a particular drug is listed in the Recommended Drug List. You may also request a copy of the current List and it will be mailed to you. The current List is also available on the Health Net website at [www.healthnet.com](http://www.healthnet.com) under the pharmacy information.

### **How Are Drugs Chosen for the Health Net Recommended Drug List?**

The List is created and maintained by the Health Net Pharmacy and Therapeutics Committee. Before deciding whether to include a drug on the List, the committee reviews medical and scientific publications, relevant utilization experience and Physician recommendations to assess the drug for its:

- Safety
- Effectiveness
- Cost-effectiveness (when there is a choice between two drugs having the same effect, the less costly drug will be listed)
- Side effect profile
- Therapeutic outcome

This committee has quarterly meetings to review medications and to establish policies and procedures for drugs included in the List. The Recommended Drug List is updated as new clinical information and medications are approved by the FDA.

### **Who Is on the Health Net Pharmacy and Therapeutics Committee and How Are Decisions Made?**

The committee is made up of actively practicing Physicians of various medical specialties from Health Net Physician Groups, as well as clinical pharmacists. Voting members are recruited from contracting Physician Groups throughout California based on their experience, knowledge and expertise. In addition, the Pharmacy and Therapeutics Committee frequently consults with other medical experts to provide additional input to the Committee. A vote is taken before a drug is added to the Recommended Drug List. The voting members are not employees of Health Net. This ensures that decisions are unbiased and without conflict of interest.

### **Prior Authorization Process**

**Prior Authorization status is included in the Recommended Drug List** - The List identifies which drugs require Prior Authorization. A Physician must get approval from Health Net before writing a Prescription Drug Order for a drug that is listed as requiring Prior Authorization, in order for the drug to be covered by Health Net.

Urgent requests from Physicians are handled in a timely fashion not to exceed 72 hours, as appropriate and Medically Necessary, for the nature of the Member's condition after Health Net's receipt of the information reasonably necessary and requested by Health Net to make the determination. Routine requests from Physicians are processed in a timely fashion, not to exceed 5 days, as appropriate and Medically Necessary, for the nature of the Member's condition after Health Net's receipt of the information reasonably necessary and requested by Health Net to make the determination. Requests may be submitted by telephone or facsimile. Health Net will evaluate the submitted information upon receiving your Physician's request for Prior Authorization and make a determination based on established clinical criteria for the particular medication. The criteria used for Prior Authorization are developed and based on input from the Health Net Pharmacy and Therapeutics Committee as well as Physician experts. Your Physician may contact Health Net to obtain the usage guidelines for specific medications.

Once a medication is approved, its authorization becomes effective immediately.

## **Retail Pharmacies and the Mail Order Program**

### **Purchase Drugs at Participating Pharmacies**

You must purchase covered drugs at a Participating Pharmacy to receive the highest available benefits for Prescription Drugs under this Plan.

Health Net is contracted with many major pharmacies, supermarket-based pharmacies and privately owned pharmacies in California. For a complete and up-to-date list of Participating Pharmacies, please visit our website at [www.healthnet.com](http://www.healthnet.com) under Pharmacy Information portal or call the Member Services Department at the telephone number on your Health Net ID card. Present the Health Net ID Card and pay the appropriate Copayment when the drug is dispensed.

If refills are stipulated on the Prescription Drug Order, a Participating Pharmacy may dispense up to a 30-consecutive-calendar-day supply for each Prescription Drug Order or for each refill at the appropriate time interval. If the Health Net ID Card is not available or eligibility cannot be determined:

- Pay the entire cost of the drug; and
- Submit a claim for possible reimbursement.

### **Nonparticipating Pharmacies and Emergencies**

During the first 30 days of your coverage, Prescription Drugs will be covered if dispensed by a Nonparticipating Pharmacy, but only if you are a new Member and have not yet received your Health Net ID Card. After 30 days Prescription Drugs dispensed by a Non-Participating Pharmacy will be covered only for Emergency Care or Urgently Needed Care, as defined in "Definitions," Section 1000, of this *Evidence of Coverage*.

If the above situations apply to you:

- Pay the full cost of the Prescription Drug that is dispensed; and
- Submit a claim to Health Net for possible reimbursement.

Health Net will reimburse you for your Prescription Drug covered expenses, less any required Deductible and Copayment shown in "Schedule of Benefits and Copayments - ELECT 1," Section 200, of this *Evidence of Coverage*.

If you present a Prescription Order for a Brand Name Drug, pharmacists will offer a Generic Drug equivalent if commercially available. In cases of Emergency or Urgently Needed Care, you should advise the treating Physician of any drug allergies or reactions, including to any Generic Drugs.

There are no benefits through Nonparticipating Pharmacies in California after 30 days of coverage or if the Prescription Drug was not purchased for Emergency or Urgently Needed Care.

### **Note**

The Prescription Drug portion of "Exclusions and Limitations," Section 700, of this *Evidence of Coverage* and the requirements of the Recommended Drug List described above still apply when Prescription Drugs are dispensed by a Nonparticipating Pharmacy.

*Claim forms will be provided by Health Net upon request or may be obtained from the Health Net website at [www.healthnet.com](http://www.healthnet.com) under the pharmacy information.*

### **Drugs Dispensed by Mail Order**

If your prescription is for a Maintenance Drug, you have the option of filling it through our convenient mail order program. To receive Prescription Drugs by mail send the following to the designated mail order administrator:

- The completed Prescription Mail Order Form;
- The original Prescription Drug Order (not a copy) written for up to a 90-consecutive-calendar-day-supply of a Maintenance Drug, when appropriate; and
- The appropriate Copayment.

You may obtain a Prescription Mail Order Form and further information by contacting the Member Services Department at the telephone number on your Health Net ID Card.

The mail order administrator may dispense up to a 90-consecutive-calendar-day supply of a covered Maintenance drug and each refill allowed by that order, the required Copayment applies each time a drug is dispensed. In some cases, a 90-consecutive-calendar-day supply of medication may not be an appropriate drug treatment plan, according to Food and Drug Administration (FDA) or Health Net's usage guidelines. If this is the case, the mail order may be less than a 90-consecutive-calendar-day supply.

**Note:** Schedule II narcotic drugs are not covered through our mail order program. Refer to "Prescription Drug" portion of "Exclusion and Limitations," Section 700, for more information.

## **Mental Disorders and Chemical Dependency (ELECT 1)**

*Please read "Mental Disorders and Chemical Dependency" portion of "Exclusions and Limitations," Section 700, of this Evidence of Coverage.*

The Mental Health and Chemical Dependency benefits are administered by a specialized health care service plan which contracts with Health Net to underwrite and administer these benefits.

To be covered, the Behavioral Health Administrator must authorize these services and supplies. In an emergency, call **911** or contact Behavioral Health Administrator at the telephone number shown on your Health Net ID Card before receiving care.

The Behavioral Health Administrator will refer you to a nearby Participating Mental Health Professional. That professional will evaluate you, to determine if additional treatment is necessary.

If you need treatment, the Participating Mental Health Professional will develop a treatment plan and submit that plan to Behavioral Health Administrator for review. When authorized by the Behavioral Health Administrator, the proposed services will be covered by this Plan.

If the Behavioral Health Administrator does not approve the treatment plan, no further services or supplies will be covered for that condition. However, the Behavioral Health Administrator may direct you to community resources where alternative forms of assistance are available.

### **Transition of Care for New Enrollees**

If you are receiving ongoing care for an acute, serious or chronic mental health condition from a non-Participating Mental Health Professional at the time you enroll with Health Net, we may temporarily cover services from a provider not affiliated with the Behavioral Health Administrator, subject to applicable Copayments and any other exclusions and limitations of this Plan.

Your non-Participating Mental Health Professional must be willing to accept the Behavioral Health Administrator's standard mental health provider contract terms and conditions and be located in the Plan's service area.

If you would like more information on how to request continued care, or request a copy of our continuity of care policy, please call the Member Services Department at the telephone number on your Health Net ID Card.

### **The following benefits are provided:**

#### **Outpatient Services**

Outpatient crisis intervention, short-term evaluation and therapy, longer-term specialized therapy and rehabilitative care that is related to Chemical Dependency are covered for up to the maximum number of visits shown in "Schedule of Benefits and Copayments – ELECT1" Section 200, of this *Evidence of Coverage*. Medication management care is also covered when appropriate.

#### **Second Opinion**

You may request a second opinion when:

- Your Participating Mental Health Professional renders a diagnosis or recommends a treatment plan that you are not satisfied with;
- You are not satisfied with the result of the treatment you have received;
- You are diagnosed with, or a treatment plan is recommended for, a condition that threatens loss of life, limb or bodily function or a substantial impairment, including but not limited to a Serious Chronic Condition; or

- Your Primary Care Physician or a referral Physician is unable to diagnose your condition or test results are conflicting.

To request authorization for a second opinion contact the Behavioral Health Administrator. Participating Mental Health Professionals will review your request in accordance with the Behavioral Health Administrator's second opinion policy. When you request a second opinion, you will be responsible for any applicable Copayments.

Second opinions will only be authorized for Participating Mental Health Professionals, unless it is demonstrated that an appropriately qualified Participating Mental Health Professional is not available. The Behavioral Health Administrator will ensure that the provider selected for the second opinion is appropriately licensed and has expertise in the specific clinical area in question.

Any service recommended must be authorized by the Behavioral Health Administrator in order to be covered.

### **Inpatient Services**

Inpatient treatment of a Mental Disorder or Chemical Dependency is covered for up to the maximum number of days shown in the "Inpatient Hospital Services" portion of "Schedule of Benefits and Copayments - ELECT 1," Section 200 of this *Evidence of Coverage*.

Covered services and supplies include:

- Accommodations in a room of two or more beds, including special treatment units, such as intensive care units and psychiatric care units, unless a private room is determined to be Medically Necessary.
- Supplies and ancillary services normally provided by the facility, including professional services, laboratory services, drugs and medications dispensed for use during the confinement, psychological testing and individual, family or group therapy or counseling.

### **Detoxification**

Inpatient services for acute detoxification and treatment of acute medical conditions relating to Chemical Dependency are covered, except as stated in "Mental Disorders and Chemical Dependency" portion of "Exclusions and Limitations," Section 700, of this *Evidence of Coverage*.

### **Serious Emotional Disturbances of a Child (SED)**

The treatment and diagnosis of Serious Emotional Disturbances of a Child under the age of 18 is covered as shown in "Schedule of Benefits and Copayments - ELECT 1," Section 200.

### **Severe Mental Illness**

Treatment of Severe Mental Illness is covered as shown in "Schedule of Benefits and Copayments - ELECT 1," Section 200, of this *Evidence of Coverage*. Look under the headings for office visits, outpatient services and inpatient Hospital services to determine the applicable Copayment.

Covered services include treatment of:

- Schizophrenia
- Schizoaffective disorder
- Bipolar disorder (manic-depressive illness)
- Major depressive disorders
- Panic disorder
- Obsessive-compulsive disorder
- Pervasive developmental disorder (including Autistic Disorder, Rett's Disorder, Childhood Disintegrative Disorder, Asperger's Disorder and Pervasive Developmental Disorder not otherwise specified to include Atypical Autism, in accordance with the most recent edition of the *Diagnostic and Statistical Manual for Mental Disorders*)
- Autism
- Anorexia nervosa



- Bulimia nervosa

## EXCLUSIONS AND LIMITATIONS

**It is extremely important to read this section before you obtain services in order to know what Health Net will and will not cover.**

The following exclusions and limitations apply to your ELECT 1 and ELECT 2 benefits.

### **Services and Supplies**

#### **ELECT 1**

The exclusions and limitations in this subsection apply to any category or classification of services and supplies described throughout this *Evidence of Coverage*.

**Health Net does not cover the services or supplies listed below. Also, services or supplies that are excluded from coverage in the *Evidence of Coverage*, exceed *Evidence of Coverage* limitations, are not Medically Necessary or are Follow-Up Care (or related to Follow-Up Care) to *Evidence of Coverage* exclusions or limitations will not be covered. However, the Plan does cover Medically Necessary services for medical conditions directly related to non-covered services when complications exceed routine Follow-Up Care (such as life-threatening complications of cosmetic surgery).**

#### **Blood**

Blood transfusions, including blood processing, the cost of blood, unreplaced blood and blood products, are covered. However, self-donated (autologous) blood transfusions are covered only for a surgery that the contracting Physician Group has authorized and scheduled.

#### **Chemical Dependency**

This Plan does not cover treatment of chronic alcoholism, drug addiction or other Chemical Dependency problems, except as specified in the portion of "Covered Services and Supplies," Section 600, of this *Evidence of Coverage*.

#### **Clinical Trials**

Although clinical trials are covered, as described in "Medical Services and Supplies" portion of "Covered Services and Supplies," Section 600, of this *Evidence of Coverage*, coverage for clinical trials does not include the following items:

- Drugs or devices that are not approved by the FDA;
- Services other than health care services, including but not limited to cost of travel or costs of other non-clinical expenses;
- Services provided to satisfy data collection and analysis needs which are not used for clinical management;
- Health care services that are specifically excluded from coverage under this *Evidence of Coverage*; and
- Items and services provided free of charge by the research sponsors to Members in the trial.

#### **Conception by Medical Procedures**

Artificial insemination is covered when a female Member and/or her male partner is infertile (refer to Infertility in "Definitions," Section 1000, of this *Evidence of Coverage*). However, if only the male partner is a Member and the female partner (who is not a Member) is infertile, artificial insemination will not be covered. The collection, storage or purchase of sperm is not covered.

Other services or supplies that are intended to impregnate a woman are not covered. Excluded procedures include, but are not limited to:

- In-vitro fertilization (IVF), gamete intrafallopian transfer (GIFT), zygote intrafallopian transfer (ZIFT) or any process that involves harvesting, transplanting or manipulating a human ovum. Also not covered are services or supplies (including injections and injectable medications) which prepare the Member to receive these services.
- Collection, storage or purchase of sperm or ova.

## Cosmetic Services and Supplies

Cosmetic surgery or services and supplies performed to alter or reshape normal structures of the body solely to improve the physical appearance of a Member are not covered. However, the Plan does cover Medically Necessary services and supplies for complications which exceed routine Follow-Up Care that is directly related to cosmetic surgery (such as life-threatening complications). In addition, hair transplantation, hair analysis, hair-pieces and wigs, chemical face peels, abrasive procedures of the skin, liposuction or epilation are not covered.

However, when reconstructive surgery is performed to correct or repair abnormal structures of the body caused by, congenital defects, developmental abnormalities, trauma, infection, tumors or disease and such surgery does either of the following:

- Improve function; or
- Create a normal appearance to the extent possible;

then

- Surgery to remove or change the size (or appearance) of any part of the body;
- Surgery to reform or reshape skin or bone; or

Surgery to remove or reduce skin or tissue are covered. In addition, when a Medically Necessary mastectomy has been performed, the following are covered:

- Breast reconstruction surgery; and
- Surgery performed on either breast to restore or achieve symmetry (balanced proportions) in the breast.

Health Net and the contracting Physician Group determine the feasibility and extent of these services, except that, the length of Hospital stays related to mastectomies and lymph node dissections will be determined solely by the Physician and no prior authorization for determining the length of stay is required.

*The coverage described above in relation to a Medically Necessary mastectomy complies with requirements under the **Women's Health and Cancer Rights Act of 1998**.*

## Custodial or Domiciliary Care

This Plan does not cover services and supplies that are provided primarily to assist with the activities of daily living, regardless of where performed.

Custodial Care is not covered even when the patient is under the care of a supervising or attending Physician and services are being ordered and prescribed to support and generally maintain the patient's condition or provide for the patient's comforts or ensure the manageability of the patient. Furthermore, Custodial Care is not covered even if ordered and prescribed services and supplies are being provided by a registered nurse, a licensed vocational nurse, a licensed practical nurse, a Physician Assistant or physical therapist.

## Dental Services

Dental services or supplies are limited to the following situations:

- When immediate Emergency Care to sound natural teeth as a result of an accidental injury is required. Please refer to "Emergency and Urgently Needed Care Through Your ELECT Open Access Plan" portion of "Introduction to Health Net" Section 100, for more information.
- General anesthesia and associated facility services are covered when the clinical status or underlying medical condition of the Member requires that an ordinarily non-covered dental service which would normally be treated in a dentist's office and without general anesthesia must instead be treated in a Hospital or Outpatient Surgical Center. The general anesthesia and associated facility services must be Medically Necessary, are subject to the other exclusions and limitations of this *Evidence of Coverage* and will only be covered under the following circumstances: (a) Members who are under seven years of age or, (b) Members who are developmentally disabled or (c) Members whose health is compromised and general anesthesia is Medically Necessary.
- When dental examinations and treatment of the gingival tissues (gums) are performed for the diagnosis or treatment of a tumor.

The following services are not covered under any circumstances.

- Routine care or treatment of teeth and gums including but not limited to dental abscesses, inflamed tissue or extraction of teeth.
- Spot grinding, restorative or mechanical devices orthodontics, inlays or onlays, crowns, bridgework, active splints or orthotics (whether custom fit or not), dental implants (material implanted into or on bone or soft tissue) or other dental appliances and related surgeries to treat dental conditions.
- Follow-up treatment of an injury to sound natural teeth as a result of an accidental injury regardless of reason for such services.

### **Disorders of the Jaw**

Treatment for disorders of the jaw is limited to the following situations:

- Surgical procedures to correct abnormally positioned or improperly developed bones of the upper or lower jaw are covered if the services are required due to recent injury, the existence of cysts, tumors or neoplasms or a functional disorder and they are Medically Necessary. However spot grinding, restorative or mechanical devices orthodontics, inlays or onlays, crowns, bridgework, active splints or orthotics (whether custom fit or not), dental implants or other dental appliances and related surgeries to treat dental conditions are not covered under any circumstances.
- Surgical procedures and medical appliances (custom made TMJ appliance) to correct disorders of the temporomandibular (jaw) joint (also known as TMJ disorders) are covered if they are Medically Necessary. However, spot grinding, restorative or mechanical devices orthodontics, inlays or onlays, crowns, bridgework, active splints or orthotics (whether custom fit or not), dental implants or other dental appliances to treat dental conditions related to TMJ disorders are not covered.

TMJ disorders are generally caused when the chewing muscles and jaw joint do not work together correctly and may cause headaches, tenderness in the jaw muscles or facial Pain.

### **Disposable Supplies for Home Use**

This Plan does not cover disposable supplies for home use.

### **Durable Medical Equipment**

Although this Plan covers Durable Medical Equipment, it does not cover the following items:

- Exercise equipment.
- Hygienic equipment and supplies (to achieve cleanliness even when related to other covered medical services).
- Stockings, corrective shoes and arch supports.
- Surgical dressings other than primary dressings that are applied by your Physician Group or a Hospital to lesions of the skin or surgical incisions.
- Jacuzzis and whirlpools.
- Orthotics, unless custom made to fit the Member's body. (Orthotics are supports or braces for weak or ineffective joints or muscles.)
- Orthotics, whether or not custom fit, to treat dental conditions related to TMJ disorder.
- Foot orthotics (whether or not custom fit) that are not incorporated into a cast, splint, brace or strapping of the foot, unless purchased by your Group as a specific benefit for foot orthotics.

However, the Plan does cover Medically Necessary diabetic supplies as shown in "Medical Supplies" portion of "Schedule of Benefits and Copayments," Section 200 and "Diabetic Supplies" portion of "Covered Services and Supplies," Section 600.

**Experimental or Investigational Services**

Experimental or Investigational drugs, devices, procedures or other therapies are only covered when:

- Independent review deems them appropriate, please refer to "Independent Medical Review of Investigational or Experimental Therapies" portion of "General Provisions," Section 800, for more information; or
- Clinical trials for cancer patients are deemed appropriate according to "Medical Services and Supplies" portion of "Covered Services and Supplies," Section 600.

In addition, benefits will also be provided for services and supplies to treat medical complications caused by Experimental or Investigational services or supplies.

**Genetic Testing and Diagnostic Procedures**

Genetic testing is not covered except when determined by Health Net to be Medically Necessary. The prescribing Physician must request prior authorization for coverage. Genetic testing will not be covered for non-medical reasons or when a Member has no medical indication or family history of a genetic abnormality.

**Hearing Aids**

This Plan does not cover any device inserted in or affixed to the outer ear to improve hearing.

**Home Births**

A birth which takes place at home will be covered only when the criteria for Emergency Care, as defined in this *Evidence of Coverage*, have been met.

**Ineligible Status**

This Plan does not cover services or supplies provided before the Effective Date of coverage. Services or supplies provided after coverage through this Plan has ended are not covered, except as specified in "Extension of Benefits" portion of "Eligibility, Enrollment and Termination," Section 500.

A service is considered provided on the day it is performed. A supply is considered provided on the day it is dispensed.

**Mental Disorders**

This Plan covers treatment of Mental Disorders only as specifically described in "Schedule of Benefits and Copayments" Section 200 of this *Evidence of Coverage*.

This Plan does not cover care for mental retardation, mental health care as a condition of parole or probation or court-ordered testing for Mental Disorders.

Services and supplies for treating Mental Disorders are covered only as specified in "Mental Disorders Benefits" portion of "Covered Services and Supplies" Section 600, of this *Evidence of Coverage*.

**No-Charge Items**

This Plan does not cover reimbursement to the Member for services or supplies for which the Member is not legally required to pay the provider or for which the provider pays no charge.

**Non-Eligible Institutions**

This Plan only covers services or supplies provided by a legally operated Hospital, Medicare-approved Skilled Nursing Facility or other properly licensed facility specified as covered in this *Evidence of Coverage*. Any institution that is primarily a place for the aged, a nursing home or a similar institution, regardless of how it is designated, is not an eligible institution. Services or supplies that are provided by such institutions are not covered.

**Non-Prescription (Over-the-Counter) Drugs, Equipment and Supplies**

Medical equipment and supplies (including insulin), that are available without a prescription, are covered only when prescribed by a Physician for the management and treatment of diabetes.

Any other nonprescription or over-the-counter drugs, medical equipment or supplies that can be purchased without a Prescription Drug Order is not covered even if a Physician writes a Prescription Drug Order for such drug, equipment or supply. However, if a higher dosage form of a nonprescription drug or over-the-counter drug is only available by prescription, that higher dosage drug will be covered.

If a drug that was previously available by prescription becomes available in an over-the-counter (OTC) form in the same prescription strength, then Prescription Drugs that are similar agents and have comparable clinical effect(s) will only be covered when Prior Authorization is obtained from Health Net.

**Personal or Comfort Items**

This Plan does not cover personal or comfort items.

**Physician Self-Treatment**

This Plan does not cover Physician self-treatment rendered in a non-emergency. Physician self-treatment occurs when Physicians provide their own medical services, including prescribing their own medication, ordering their own laboratory test and self-referring for their own services. Claims for emergency self-treatment are subject to review by Health Net.

**Physicians Treating Immediate Family Members**

This Plan does not cover routine or ongoing treatment or consultation provided by the Member's parent, spouse, child or sibling. Members who receive routine or ongoing care from a Member of their immediate family may be reassigned to another Physician.

**Prescribed Drugs and Medications**

This Plan only covers outpatient Prescription Drugs or medications, as described in "Prescription Drugs" portion of "Covered Services and Supplies" Section 600, of this *Evidence of Coverage*.

**Private Duty Nursing**

This Plan does not cover private duty nursing in the home or for registered bed patients in a Hospital or long-term care facility.

**Prosthetics and Corrective Appliances**

Any expenses that specifically replace missing body parts including, but not limited to, artificial limbs, mammary prosthesis, artificial eyes, intraocular lens implants or Contact Lenses after cataract surgery and colostomy supplies are not covered except as specifically stated.

**Refractive Eye Surgery**

This Plan does not cover eye surgery performed to correct refractive defects of the eye, such as near-sightedness (myopia), far-sightedness (hyperopia) or astigmatism, unless Medically Necessary, recommended by the Member's treating Physician and authorized by Health Net.

**Rehabilitation Therapy**

Coverage for rehabilitation therapy is limited to Medically Necessary services provided by a licensed physical, speech or occupational therapist for treatment of conditions resulting from a defined disease, injury or surgical procedure. The services must be at a level of complexity that requires the judgment, knowledge and skills of a licensed physical, speech or occupational therapist, be based on a treatment plan and be provided by such therapist or under the therapist's direct supervision. Such services are not covered when medical documentation does not support the Medical Necessity because of the Member's inability to progress toward the treatment plan goals or when a Member has already met the treatment goals. See "General Provisions," Section 800(I) for the procedure to request Independent Medical Review of a Plan denial of coverage on the basis of Medical Necessity.

**Reversal of Surgical Sterilization**

This Plan does not cover services to reverse voluntary, surgically induced sterility.

**Routine Physical Examinations**

This Plan does not cover routine physical examinations for insurance, licensing, employment, school, camp or other nonpreventive purposes.

**Services Not Related To Covered Condition, Illness Or Injury**

Any services not related to the diagnosis or treatment of a covered condition, illness or injury. However, the Plan does cover Medically Necessary services for medical conditions directly related to non-covered services when complications exceed routine Follow-Up Care (such as life-threatening complications of cosmetic surgery).

**Sex Change**

This Plan does not cover procedures or treatment related to changing a Member's physical characteristics to those of the opposite sex.

**Surrogate Pregnancy**

This Plan covers services for a surrogate pregnancy, but when compensation is obtained for the surrogacy, the Plan shall have a lien on such compensation to recover its medical expense. A surrogate pregnancy is one in which a woman has agreed to become pregnant with the intention of surrendering custody of the child to another person.

**Treatment of Obesity**

Treatment or surgery for obesity, weight reduction or weight control is limited to the treatment of morbid obesity.

**Unauthorized Services and Supplies**

This Plan only covers medical services or supplies that are authorized by Health Net or the contracting Physician Group according to Health Net's procedures, except for emergency services.

**Unlisted Services**

This Plan only covers services or supplies that are specified as covered services or supplies in this *Evidence of Coverage*, unless coverage is required by state or federal law.

**Vision Therapy, Eyeglasses and Contact Lenses**

This Plan does not cover vision therapy, Eyeglasses or Contact Lenses. However, this exclusion does not apply to an implanted lens that replaces the organic eye lens.

**ELECT 2**

The exclusions and limitations from "ELECT Open Access 1 Services and Supplies" section above apply to ELECT Open Access 2.

**Ambulance**

Any services or supplies related to ground or air ambulance or other medical transportation services.

**Durable Medical Equipment**

Any services or supplies related to Durable Medical Equipment are only covered through ELECT 1.

**Family Planning**

Any expenses for Infertility, for both male and female are not covered including professional services, inpatient and outpatient care, treatment by injection and Prescription Drugs.

**Home Health Care Visits**

Any services or supplies related to services provided by a Home Health Care Agency.

**Hospice Care**

Any services or supplies provided by a Hospice.

**Immunizations or Inoculations**

Immunizations or inoculations for adults or children are limited to those provided as preventive care services.

**Infertility Services and Supplies**

All services or supplies, including injections, related to the treatment of Infertility.

**Inpatient Care**

Any expense related to inpatient Hospital or skilled nursing care is not covered.

**Outpatient Hospital Services**

Any expense, including outpatient surgery, is not covered.

**Organ, Tissue and Bone Marrow Transplants**

Any expense related to the replacement of any body organ, tissue or bone marrow, whether Experimental or not, are not covered.

**Patient Education**

Wellness and other educational programs are not covered.

**Pregnancy**

All services and supplies related to pregnancy. In addition, any services related to pregnancy induced under a surrogate parenting agreement are not covered.

**Preventive Care**

Preventive care and diagnostic procedures for adults (18 and older), at the Physician's direction, are limited to the following types of care and procedures:

- **Mammography:** For screening purposes in women at low risk of breast cancer. One baseline low dose mammogram between the ages of 35 and 39, one baseline low dose mammogram every two Calendar Years between the ages of 40 and 49 (or more frequently if recommended by a Physician) and one baseline low dose mammogram every Calendar Year when age 50 and above.
- **Cervical Cancer Screening Test, Pelvic Exam and Breast Exam:** One normal exam and lab test per Calendar Year.
- **Sigmoidoscopy:** Once every three Calendar Years for men and women age 45 and above.
- **Screening and Diagnosis of Prostate Cancer:** Tests and procedures for the screening and diagnosis of prostate cancer, including but not limited to, prostate-specific antigen testing and digital rectal examinations, when Medically Necessary and consistent with good professional practice.

Services which exceed the above limitations are not covered.

**Prosthetics and Corrective Appliances**

Any expenses that specifically replace missing body parts including, but not limited to, artificial limbs, mammary prosthesis, artificial eyes, intraocular lens implants or Contact Lenses after cataract surgery and colostomy supplies are not covered except as specifically stated.

**Renal Dialysis**

Any services or supplies related to renal dialysis are not covered.

**Sterilizations**

Any expenses for sterilization or reversal of sterilization for both male and female are not covered.

**Prescription Drugs**

**The exclusions and limitations in "Services and Supplies" portion of this section also apply to the coverage of Prescription Drugs.**

**Note: Services or supplies excluded under the Prescription Drug benefits may be covered under your medical benefits portion of this *Evidence of Coverage*. Please refer to "Medical Services and Supplies" portion of "Covered Services and Supplies," Section 600, for more information.**

**Additional exclusions and limitations:**

**Allergy Serum**

Products to lessen or end allergic reactions are not covered. Allergy serum is covered as a medical benefit. See "Allergy, Immunizations and Injections" portion of "Schedule of Benefits and Copayments – ELECT 1," Section 200, and "Schedule of Benefits and Copayments – ELECT 2," Section 400, and "Immunizations and Injections" portion of "Covered Services and Supplies," Section 600.



**Appetite Suppressants or Drugs for Body Weight Reduction**

Drugs prescribed for the treatment of obesity are covered when Medically Necessary for the treatment of morbid obesity. In such cases the drug will be subject to Prior Authorization from Health Net.

**Compounded Drugs**

Prescription orders that are combined or manufactured by the pharmacist and placed in an ointment, capsule, tablet, solution, suppository, cream or other form using FDA approved drugs, are covered at the Level III Drug Copayment. Coverage for compounded drugs is subject to Prior Authorization by the Plan and Medical Necessity. Compounded Drugs are not covered if there is a similar proprietary product available.

**Contraceptives**

Oral contraceptives and emergency contraceptives are covered. Vaginal contraceptives are limited to diaphragms and cervical caps and are only covered when a Member Physician performs a fitting examination and prescribes the device. Such devices are only available through a prescription from a pharmacy and limited to one fitting and prescription per Calendar Year unless additional fittings or devices are Medically Necessary. Injectable contraceptives are covered as a medical benefit when administered by a Physician. If your Physician determines that none of the methods specified as covered by the Plan are medically appropriate then the Plan will provide coverage for another FDA approved prescription or contraceptive method as prescribed by your Physician.

**Devices**

Coverage is limited to vaginal contraceptive devices and those devices listed under "Diabetic Drugs and Supplies" section of "Prescription Drugs" portion of "Covered Services and Supplies," Section 600. No other devices are covered even if prescribed by a Member Physician.

**Dietary or Nutritional Supplements**

Drugs used as dietary or nutritional supplements, including vitamins and herbal remedies, are limited to drugs that are listed Recommended Drug List. Phenylketonuria (PKU) is covered under the medical benefit (see "Phenylketonuria" portion of "Covered Services and Supplies." portion of "Covered Services and Supplies," Section 600).

**Drugs Prescribed for the Common Cold**

Drugs when prescribed to shorten the duration of the common cold are not covered.

**Drugs Prescribed for Cosmetic or Enhancement Purposes**

Drugs or supplies that are prescribed for cosmetic or enhancement purposes, including but not limited to those intended to treat wrinkles, sexual performance, athletic performance, anti-aging, mental performance or hair loss, are not covered. Examples of these drugs include, but are not limited to, Penlac, Renova, Vaniqua, Propecia and Lustra.

**Food and Drug Administration (FDA)**

Supply amount for prescriptions that exceed Health Net's or the FDA's indicated usage recommendation are not covered unless Medically Necessary and Prior Authorization is obtained from Health Net.

**Hypodermic Syringes and Needles**

Hypodermic syringes and needles are limited to insulin needles, syringes and reusable pen devices. Needles and syringes required to administer self-injected medications will be provided when obtained through Health Net's Specialty Pharmacy Vendor. All other syringes, devices and needles are not covered.

**Injectable Drugs**

Injectable drugs obtained through a prescription are limited to insulin and sexual dysfunction drugs when prescribed by a Physician. Other injectable medications may be covered under the medical benefit (see "Immunizations and Injections" portion of "Covered Services and Supplies" Section 600). Surgically implanted drugs are covered under the medical benefit (see "Surgically Implanted Drugs" portion of "Covered Services and Supplies," Section 600).

**Lost, Stolen or Damaged Drugs**

Drugs that are lost, stolen or damaged are not covered. You will have to pay the retail price for replacing them.

**Nonapproved Uses**

Drugs prescribed for indications approved by the Food and Drug Administration are covered. Off-label use of drugs is only covered when prescribed or administered by a licensed health care professional for the treatment of a life-threatening or chronic and seriously debilitating condition as described herein (see "Off-Label Drugs" provision in "Prescription Drugs" portion of "Covered Services and Supplies," Section 600 ) or if otherwise Medically Necessary.

**Noncovered Services**

Drugs prescribed for a condition or treatment that is not covered by this Plan are not covered. However, the Plan does cover Medically Necessary drugs for medical conditions directly related to noncovered services when complications exceed routine Follow-Up Care (such as life-threatening complications of cosmetic surgery).

**Nonparticipating Pharmacies**

Drugs dispensed by Nonparticipating Pharmacies are not covered, except as specified in "Nonparticipating Pharmacies and Emergencies" provision of "Covered Services and Supplies," Section 600.

**Non-Prescription (Over-the-Counter) Drugs, Devices and Supplies**

Medical equipment and supplies (including insulin), that are available without a prescription, are covered only when prescribed by a Physician for the management and treatment of diabetes.

Any other non-Prescription Drug or over-the-counter drugs, medical equipment or supplies that can be purchased without a Prescription Drug is not covered, even if a Physician writes a Prescription Drug Order for such drug, equipment or supply. However, if a higher dosage form of a nonprescription drug or over-the-counter drug is only available by prescription, that higher dosage drug will be covered.

If a drug that was previously available by prescription becomes available in an over-the-counter (OTC) form in the same prescription strength, then Prescription Drugs that are similar agents and have comparable clinical effect(s), will only be covered when Medically Necessary and Prior Authorization is obtained from Health Net.

**Quantity Limitations**

Some drugs are subject to specific quantity limitations per Copayment based on recommendations for use by the FDA or Health Net's usage guidelines. Medications taken on an "as-needed" basis may have a Copayment based on a standard package, vial, ampoule, tube, or other standard unit. In such a case, the amount of medication dispensed may be less than a 30-consecutive-calendar-day supply. If Medically Necessary, your Physician may request a larger quantity from Health Net.

**Schedule II Narcotic Drugs**

Schedule II narcotic drugs are not covered through mail order. Schedule II drugs are drugs classified by the Federal Drug Enforcement Administration as having a high abuse risk but also safe and accepted for medical uses in the United States.

**Sexual Dysfunction Drugs**

Drugs (including injectable medications) when Medically Necessary for treating sexual dysfunction are limited to two doses per week or eight tablets per month. Sexual Dysfunction drugs are not available through the mail order program.

**Smoking Cessation Coverage**

Drugs that require a prescription in order to be dispensed for the relief of nicotine withdrawal symptoms are covered up to a twelve week course of therapy per Calendar Year if the Member is concurrently enrolled in a comprehensive smoking cessation behavioral support program. The prescribing Physician must request Prior Authorization for coverage. For information regarding smoking cessation behavioral support programs available through Health Net, contact Member Services at the telephone number on your Health Net ID Card or visit the Health Net website at [www.healthnet.com](http://www.healthnet.com) (see "Wellsite").

**Unit Dose or "Bubble" Packaging**

Individual doses of medication dispensed in plastic, unit dose or foil packages and dosage forms used for convenience as determined by Health Net, are only covered when Medically Necessary or when the medication is only available in that form.

**Drugs Prescribed by a Dentist**

Drugs prescribed for routine dental treatment are not covered.

**Mental Disorders and Chemical Dependency**

The exclusions and limitations in "Services and Supplies" portion of this section apply to Mental Disorders and Chemical Dependency.

**Note: Services or supplies excluded under the Mental Disorders and Chemical Dependency benefits may be covered under your medical benefits portion of this *Evidence of Coverage*. Please refer to "Medical Services and Supplies" portion of "Covered Services and Supplies," Section 600, for more information.**

Mental health care as a condition of parole or probation or court-ordered testing for Mental Disorders is limited to Medically Necessary services and subject to this Plan's day or visit limits as shown in the "Schedule of Benefits and Copayments" Section 200 of this *Evidence of Coverage*.

Services and supplies for treating Mental Disorders and Chemical Dependency are covered only as specified in "Mental Disorders and Chemical Dependency" portion of "Covered Services and Supplies," Section 600, of this *Evidence of Coverage*. The treatment and diagnosis of Serious Emotional Disturbances of a Child under the age of 18 is covered as shown in "Schedule of Benefits and Copayments – ELECT 1," Section 200. Look under the headings for office visits, outpatient services and inpatient Hospital services to determine the applicable Copayment.

**Additional exclusions and limitations:**

*The following exclusions apply specifically to Mental Disorders and Chemical Dependency.*

**Aversion Therapy**

Therapy intended to change behavior by inducing a dislike for the behavior through association with a noxious stimulus is not covered.

**Congenital and Organic Disorders**

Treatment of physiological diseases or defects, including but not limited to organic brain disease and mental retardation is not covered. However, some conditions shall be covered as shown in "Schedule of Benefits and Copayments," Section 200, provided that their level of severity meets the criteria described in the definitions of "Serious Emotional Disturbances of a Child" and "Severe Mental Illness."

**Detoxification in Newborns**

Treatment of detoxification in newborns is not covered. However, these services are covered under the medical benefit (see "Covered Services and Supplies," Section 600, under the heading "Inpatient Hospital Confinement").

**Educational and Employment Services**

Services related to educational and professional purposes are not covered, including:

- Vocational rehabilitation.
- Employment counseling, training or educational therapy for learning disabilities.
- Investigations required for employment.
- Education for obtaining or maintaining employment or for professional certification.
- Education for personal or professional growth, development or training.
- Academic education during residential treatment.

**Excess Services**

Services in excess of those authorized by the Behavioral Health Administrator's Medical Director or his or her designee, unless such services are determined to be Medically Necessary.

**For Insurance**

Services for obtaining or maintaining insurance are not covered

**Learning Disabilities**

Testing, screening or treatment for learning disabilities are not covered. However, some conditions shall be covered as shown in "Schedule of Benefits and Copayments – ELECT1," Section 200, of this *Evidence of Coverage*, provided that their level of severity meets the criteria described in the definitions of "Serious Emotional Disturbances of a Child" and "Severe Mental Illness" and the conditions are treated by Participating Mental Health Professionals.

**Nonabstinence-Based Treatment**

Chemical Dependency treatment not based on abstinence is not covered.

**Noncontracting Providers or Facilities**

Services, treatment or supplies rendered in a non-emergency by a non-participating provider or non-participating facility are only covered when authorized by the Behavioral Health Administrator's Medical Director or his/her designee or otherwise provided by the Plan. For information on "Continuity of Care" through a non-Participating Mental Health Professional, please see "Mental Disorders and Chemical Dependency (ELECT 1)" portion of "Covered Services and Supplies" Section 600.

This includes, but is not limited to, those cases where the Behavioral Health Administrator refers a Member to a noncontracting provider or authorizes Emergency or Urgently Needed Care or a second opinion.

**Noncovered Treatments**

The following types of treatment are only covered when provided in connection with covered treatment for a Mental Disorder or Chemical Dependency:

- Treatment ordered by a court of law.
- Treatment of chronic Pain. However, such treatment is covered as a medical benefit. See "Covered Services and Supplies" Section 600.
- Treatment for co-dependency.
- Treatment for psychological stress.
- Treatment of marital or family dysfunction.

Treatment for smoking cessation, weight reduction, obesity, stammering, stuttering or sexual addiction is not covered under the Mental Disorders and Chemical Dependency benefits of this Plan. However, treatment for smoking cessation and morbid obesity is covered as a medical benefit. See "Covered Services and Supplies," Section 600. Treatment related to judicial or administrative proceedings that is not Medically Necessary is also not covered.

In addition, treatment of delirium, dementia, amnesic disorders (as defined in the DSM-IV) and mental retardation other than Medically Necessary services for accompanying behavioral and/or psychological symptoms if amenable to psychotherapeutic or psychiatric treatment, is not covered.

In addition treatment by providers other than those within licensing categories then recognized by the Behavioral Health Administrator as providing Covered Services in accordance with applicable medical community standards is not covered.

**Nonstandard Therapies**

Services that do not meet national standards for professional mental health practice, including, but not limited to, Erhard/The Forum, primal therapy, bioenergetic therapy, applied behavioral analysis and crystal healing therapy are not covered.

**Nontreatable Disorders**

Mental Disorders or conditions of Chemical Dependency that the Behavioral Health Administrator determines are not likely to improve with generally accepted methods of treatment are not covered.

**Prescription Drugs**

Outpatient Prescription Drugs or over-the-counter drugs are not covered.

**Private Duty Nursing**

Private duty nursing services in the home or in a Hospital are not covered.

**Psychological Testing**

Psychological testing is only covered when ordered by a licensed Participating Mental Health Professional and is Medically Necessary to diagnose a Mental Disorder for purposes of developing a mental health treatment plan or when Medically Necessary to treat a Mental Disorder or condition of Chemical Dependency.

**State Hospital Treatment**

Services in a state Hospital are limited to treatment or confinement as the result of an emergency or Urgently Needed Care as defined in "Definitions," Section 1000.

**Telephone Consultations**

Treatment or consultations provided by telephone are not covered.

**Treatment by a Relative**

Treatment or consultation provided by the Member's parents, siblings, children, current or former spouse or any adults who live in the Member's household, is not covered.

## GENERAL PROVISIONS

### When the Plan Ends

The Group Service Agreement specifies how long this Plan remains in effect.

If you are hospitalized or totally disabled on the date that the Group Service Agreement is terminated, benefits will continue according to "Extension of Benefits" portion of "Eligibility, Enrollment and Termination," Section 500.

### When the Plan Changes

Subject to notification and according to the terms of the Group Service Agreement, the Group has the right to terminate this Plan or to replace it with another plan with different terms. This may include, but is not limited to, changes or termination of specific benefits, exclusions and eligibility provisions.

Health Net has the right to modify this Plan, including the right to change subscription charges according to the terms of the Group Service Agreement. Notice of modification will be sent to the Group.

If you are confined in a Hospital when the Group Service Agreement is modified, benefits will continue as if the Plan had not been modified, until you are discharged from the Hospital.

**Form or Content of this Plan:** No agent or employee of Health Net is authorized to change the form or content of this Plan. Any changes can be made only through an endorsement authorized and signed by an officer of Health Net.

### Grievance, Appeals, Independent Medical Review and Arbitration

#### **Grievance Procedures**

If you are not satisfied with efforts to solve a problem with Health Net or your Physician Group, you must first file a grievance or appeal against Health Net by calling the Member Services Department at:

**1-800-676-6976** or by submitting a member grievance form through the Health Net website at [www.healthnet.com](http://www.healthnet.com)

You may also file your complaint in writing by sending information to:

Health Net  
Member Services Appeals and Grievance  
P.O. Box 10348  
Van Nuys, CA 91410-0348

If your concern involves the Mental Disorders and Chemical Dependency program, call Managed Health Network (MHN) at **1-800-227-1060**, or write to:

Managed Health Network  
Attention: Health Net Team  
1600 Los Gatos Drive, Suite 300  
San Rafael, CA 94903

Please include all information from your Health Net Identification Card and the details of the concern or problem.

We will:

- Confirm in writing within five calendar days that we received your request.
- Review your complaint and inform you of our decision in writing within 30 days from the receipt of the grievance. For conditions where there is an immediate and serious threat to your health, including severe Pain or, the potential for loss of life, limb or major bodily function exists, Health Net must notify you of the status of your grievance no later than three days from receipt of the grievance. For urgent grievances, Health Net will immediately notify you of the right to contact the Department of Managed Health Care. There is no requirement that you participate in Health Net's grievance process prior to applying to the Department of Managed Health Care for review of an urgent grievance.

If you continue to be dissatisfied after the grievance procedure has been completed, you may contact the Department of Managed Health Care for assistance or to request an independent medical review or initiate binding arbitration, as described below. Binding arbitration is the final process for the resolution of disputes.

### **Independent Medical Review of Grievances Involving a Disputed Health Care Service**

You may request an independent medical review ("IMR") of disputed health care services from the Department of Managed Health Care ("Department") if you believe that health care services eligible for coverage and payment under your Health Net Plan have been improperly denied, modified or delayed by Health Net or one of its contracting providers. A "Disputed Health Care Service" is any health care service eligible for coverage and payment under your Health Net Plan that has been denied, modified or delayed by Health Net or one of its contracting providers, in whole or in part because the service is not Medically Necessary.

The IMR process is in addition to any other procedures or remedies that may be available to you. You pay no application or processing fees of any kind for IMR. You have the right to provide information in support of the request for IMR. Health Net will provide you with an IMR application form and Health Net's grievance response letter that states its position on the Disputed Health Care Service. A decision not to participate in the IMR process may cause you to forfeit any statutory right to pursue legal action against Health Net regarding the Disputed Health Care Service.

#### **Eligibility**

Your application for IMR will be reviewed by the Department to confirm that it meets all the eligibility requirements of the law for IMR which are set out below:

1. (A) Your provider has recommended a health care service as Medically Necessary; or  
(B) You have received urgent or Emergency Care that a provider determined to have been Medically Necessary;  
(C) In the absence of the provider recommendation described in 1. (A) above, you have been seen by a Health Net Member Physician for the diagnosis or treatment of the medical condition for which you seek IMR;
2. The Disputed Health Care Service has been denied, modified or delayed by Health Net or one of its contracting providers, based in whole or in part on a decision that the health care service is not Medically Necessary; and
3. You have filed a grievance with Health Net and the disputed decision is upheld by Health Net or the grievance remains unresolved after 30 days. Within the next six months, you may apply to the Department for IMR or later, if the Department agrees to extend the application deadline. If your grievance requires expedited review you may bring it immediately to the Department's attention. The Department may waive the requirement that you follow Health Net's grievance process in extraordinary and compelling cases.

If your case is eligible for IMR, the dispute will be submitted to a medical specialist who will make an independent determination of whether or not the care is Medically Necessary. You will receive a copy of the assessment made in your case from the IMR. If the IMR determines the service is Medically Necessary, Health Net will provide the Disputed Health Care Service. If your case is not eligible for IMR, the Department will advise you of your alternatives.

For non-urgent cases, the IMR organization designated by the Department must provide its determination within 30 days of receipt of the application for review and the supporting documents. For urgent cases involving imminent and serious threat to your health, including, but not limited to, serious Pain, the potential loss of life, limb or major bodily function or the immediate and serious deterioration of your health, the IMR organization must provide its determination within three business days.

For more information regarding the IMR processor to request an application form, please call Health Net's Member Services Department at the telephone number on your Health Net ID Card.

### **Independent Medical Review of Investigational or Experimental Therapies**

Health Net does not cover Experimental or Investigational drugs, devices, procedures or therapies. However, if Health Net denies or delays coverage for your requested treatment on the basis that it is Experimental or Investigational and you meet the eligibility criteria set out below, you may request an independent medical review

("IMR") of Health Net's decision from the Department of Managed Health Care. The Department does not require you to participate in Health Net's grievance system or appeals process before requesting IMR of denials based on the Investigational or Experimental nature of the therapy. In such cases you may immediately contact the Department to request an IMR of this denial.

### **Eligibility**

1. You must have a life-threatening or seriously debilitating condition.
2. Your Physician must certify to Health Net that you have a life-threatening or seriously debilitating condition for which standard therapies have not been effective in improving your condition or are otherwise medically inappropriate and there is no more beneficial therapy covered by Health Net.
3. Your Physician must certify that the proposed Experimental or Investigational therapy is likely to be more beneficial than available standard therapies or as an alternative, you submit a request for a therapy that, based on documentation you present from the medical and scientific evidence, is likely to be more beneficial than available standard therapies.
4. You have been denied coverage by Health Net for the recommended or requested therapy.
5. If not for Health Net's determination that the recommended or requested treatment is Experimental or Investigational, it would be covered.

If Health Net denies coverage of the recommended or requested therapy and you meet the eligibility requirements, Health Net will notify you within five business days of its decision and your opportunity to request external review of Health Net's decision through IMR. Health Net will provide you with an application form to request an IMR of Health Net's decision. The IMR process is in addition to any other procedures or remedies that may be available to you. You pay no application or processing fees of any kind for IMR. You have the right to provide information in support of your request for IMR. If your Physician determines that the proposed therapy should begin promptly, you may request expedited review and the experts on the IMR panel will render a decision within seven days of your request. If the IMR panel recommends that Health Net cover the recommended or requested therapy, coverage for the services will be subject to the terms and conditions generally applicable to other benefits you are entitled to. A decision not to participate in the IMR process may cause you to forfeit any statutory right to pursue legal action against Health Net regarding the denial of the recommended or requested therapy. For more information, please call the Member Services Department at the telephone number on your Health Net ID Card.

## **Department of Managed Health Care**

The California Department of Managed Health Care is responsible for regulating health care service plans. (Health Net is a health care service plan.)

If you have a grievance against Health Net, you should first telephone Health Net at **1-800-676-6976** and use our grievance process before contacting the Department. Utilizing this grievance procedure does not prohibit any potential legal rights or remedies that may be available to you.

If you need help with a grievance involving an Emergency, a grievance that has not been satisfactorily resolved by Health Net or a grievance that has remained unresolved for more than 30 days, then you may call the Department for assistance.

You may also be eligible for an Independent Medical Review (IMR). If you are eligible for IMR, the IMR process will provide an impartial review of medical decisions made by a health plan related to the Medical Necessity of a proposed service or treatment, coverage decisions for treatments that are Experimental or Investigational in nature and payment disputes for emergency or urgent medical services. The Department also has a toll free telephone number (**1-888-HMO-2219**) and a TDD line (**1-877-688-9891**) for the hearing and speech impaired.



The Department's Internet website (<http://www.hmo.ca.gov>) has complaint forms, IMR application forms and instructions online.

### **Binding Arbitration**

Sometimes disputes or disagreements may arise between you (including your enrolled Family Members, heirs or personal representatives) and Health Net regarding the construction, interpretation, performance or breach of this *Evidence of Coverage* or regarding other matters relating to or arising out of your Health Net membership. Typically such disputes are handled and resolved through the Health Net Grievance, Appeal and Independent Medical Review process described above. However, in the event that a dispute is not resolved in that process, Health Net uses binding arbitration as the final method for resolving all such disputes, whether stated in tort, contract or otherwise and whether or not other parties such as Employer groups, health care providers or their agents or employees, are also involved. In addition, disputes with Health Net involving alleged professional liability or medical malpractice (that is, whether any medical services rendered were unnecessary or unauthorized or were improperly, negligently or incompetently rendered) also must be submitted to binding arbitration.

As a condition to becoming a Health Net Member, you agree to submit all disputes you may have with Health Net, except those described below, to final and binding arbitration. Likewise, Health Net agrees to arbitrate all such disputes. This mutual agreement to arbitrate disputes means that both you and Health Net are bound to use binding arbitration as the final means of resolving disputes that may arise between the parties and thereby the parties agree to forego any right they may have to a jury trial on such disputes. However, no remedies that otherwise would be available to either party in a court of law will be forfeited by virtue of this agreement to use and be bound by Health Net's binding arbitration process. This agreement to arbitrate shall be enforced even if a party to the arbitration is also involved in another action or proceeding with a third party arising out of the same matter.

Health Net's binding arbitration process is conducted by mutually acceptable arbitrator(s) selected by the parties. The Federal Arbitration Act, 9 U.S.C. § 1, et seq., will govern arbitrations under this process. In the event that the total amount of damages claimed is \$200,000 or less, the parties shall within, 30 days of submission of the demand for Arbitration to Health Net, appoint a mutually acceptable single neutral arbitrator who shall hear and decide the case and have no jurisdiction to award more than \$200,000. In the event that total amount damages is over \$200,000, the parties shall, within 30 days of submission of the demand for Arbitration to Health Net, appoint a mutually acceptable panel of three neutral arbitrators (unless the parties mutually agree to one arbitrator), who shall hear and decide the case.

If the parties fail to reach an agreement during this time frame, then either party may apply to a Court of Competent Jurisdiction for appointment of the arbitrator(s) to hear and decide the matter.

Arbitration can be initiated by submitting a demand for Arbitration to Health Net at the address provided below. The demand must have a clear statement of the facts, the relief sought and a dollar amount.

Health Net of California  
Attention: Litigation Administrator  
PO Box 4504  
Woodland Hills, CA 91365-4505

The arbitrator is required to follow applicable state or federal law. The arbitrator may interpret this *Evidence of Coverage*, but will not have any power to change, modify or refuse to enforce any of its terms, nor will the arbitrator have the authority to make any award that would not be available in a court of law. At the conclusion of the arbitration, the arbitrator will issue a written opinion and award setting forth findings of fact and conclusions of law. The award will be final and binding on all parties except to the extent that State or Federal law provide for judicial review of Arbitration proceedings.

The parties will share equally the arbitrator's fees and expenses of administration involved in the arbitration. Each party also will be responsible for their own attorneys' fees. In cases of extreme hardship to a Member, Health Net may assume all or a portion of a Member's share of the fees and expenses of arbitration. Upon written notice by the Member requesting a hardship application, Health Net will forward the request to independent professional dispute resolution organization for a determination. Such request for hardship should be submitted to the Litigation Administrator at the address provided above.

Effective July 1, 2002, Members who are enrolled in an Group's plan that is subject to ERISA, 29 U.S.C. § 1001 et seq., a federal law regulating benefit plans, are *not* required to submit disputes about certain "adverse benefit determinations" made by Health Net to mandatory binding arbitration. Under ERISA, an "adverse benefit determination" means a decision by Health Net to deny, reduce, terminate or not pay for all or a part of a benefit. However, you and Health Net may voluntarily agree to arbitrate disputes about these "adverse benefit determinations" at the time the dispute arises.

### **Involuntary Transfer to Another Primary Care Physician or Contracting Physician Group**

Health Net has the right to transfer you to another Primary Care Physician or contracting Physician Group under certain circumstances. The following are examples of circumstances that may result in involuntary transfer:

- **Refusal to Follow Treatment:** You may be involuntarily transferred to an alternate Primary Care Physician or Physician Group if you continually refuse to follow recommended treatment or established procedures of Health Net, the Primary Care Physician, the contracting Physician Group.

Health Net will offer you the opportunity to develop an acceptable relationship with another Primary Care Physician at the contracting Physician Group, or at another contracting Physician Group, if available. A transfer to another Physician Group will be at Health Net's discretion.

- **Disruptive or Threatening Behavior:** You may be involuntarily transferred to an alternate Primary Care Physician or Physician Group if you repeatedly disrupt the operations of the Physician Group or Health Net to the extent that the normal operations of either the Physician's office, the contracting Physician Group or Health Net are adversely impacted.
- **Abusive Behavior:** You may be involuntarily transferred to an alternate Primary Care Physician or Physician Group if you exhibit behavior that is abusive or threatening in nature toward the health care provider, his or her office staff, the contracting Physician Group or Health Net personnel.
- **Inadequate Geographic Access to Care:** You may be involuntarily transferred to an alternate Primary Care Physician or contracting Physician Group if it is determined that neither your residence nor place of work are within reasonable access to your current Primary Care Physician.

Other circumstances may exist where the treating Physician or Physicians have determined that there is an inability to continue to provide you care because the patient-Physician relationship has been compromised to the extent that mutual trust and respect have been impacted. In the U.S. the treating Physicians and contracting Physician Group must always work within the code of ethics established through the American Medical Association (AMA). (For information on the AMA code of ethics, please refer to the American Medical Association website at <http://www.ama-assn.org>). Under the code of ethics, the Physician will provide you with notice prior to discontinuing as your treating Physician that will enable you to contact Health Net and make alternate care arrangements.

Health Net will conduct a fair investigation of the facts before any involuntary transfer for any of the above reasons is carried out.

### **Medical Malpractice Disputes**

Health Net and the health care providers that provide services to you through this Plan are each responsible for their own acts or omissions and are ordinarily not liable for the acts or omissions or costs of defending others.

### **When A Third Party Causes A Member Injuries**

If you are ever injured through the actions of another person (a third party), Health Net will provide benefits for all covered services that you receive through this Plan. However, if you receive money because of your injuries, you must reimburse Health Net or the medical providers for the value of any services provided to you through this Plan.

Examples of how an injury could be caused by the actions of another person:

- You are in a car accident and the other driver is at fault; or
- You slip and fall in a store because a wet spot was left on the floor.

## Steps You Must Take

Health Net's legal right to reimbursement is called a lien. If you are injured because of a third party, you must cooperate with Health Net's and the medical providers' effort to obtain reimbursement, including:

- Telling Health Net and the medical providers, the name and address of the third party, if you know it, the name and address of your lawyer, if you are using a lawyer and describing how the injuries were caused;
- Completing any paperwork that Health Net or the medical providers may reasonably require to assist in enforcing the lien;
- Promptly responding to inquiries from the lienholders about the status of the case and any settlement discussions;
- Notifying the lienholders immediately upon you or your lawyer receiving any money from the third parties or their insurance companies; and
- Holding any money that you or your lawyer receives from the parties or their insurance companies in trust and reimbursing Health Net and the medical providers for the amount of the lien as soon as you are paid by the third party.

## How the Amount of Your Reimbursement is Determined

Your reimbursement to Health Net or the medical provider under this lien is based on the value of the services you receive and the costs of perfecting this lien. For purposes of determining the lien amount, the value of the services depends on how the provider was paid and will be determined as permitted by law. Unless the money that you receive came from a Workers' Compensation claim, the following applies:

- The amount of the reimbursement that you owe Health Net or the medical provider will be reduced by the percentage that your recovery is reduced if a judge, jury or arbitrator determines that you were responsible for some portion of your injuries.
- The amount of the reimbursement that you owe Health Net or the medical provider will also be reduced a pro rata share for any legal fees or costs that you paid from the money you received.
- The amount that you will be required to reimburse Health Net or the medical provider for services you receive under this Plan will not exceed one-third of the money that you receive if you do engage a lawyer or one-half of the money you receive if you do not engage a lawyer.

## Relationship of Parties

Contracting Physician Groups, Physicians, Hospitals and other health care providers are not agents or employees of Health Net.

Health Net and its employees are not the agents or employees of any Physician Group, Physician, Hospital or other health care provider.

All of the parties are independent contractors and contract with each other to provide you the covered services or supplies of this Plan.

The Group and the Members are not liable for any acts or omissions of Health Net, its agents or employees or of Physician Groups, any Physician or Hospital or any other person or organization with which Health Net has arranged or will arrange to provide the covered services and supplies of this Plan.

## Provider/Patient Relationship

Physicians maintain a doctor-patient relationship with the Member and are solely responsible for providing professional medical services. Hospitals maintain a Hospital-patient relationship with the Member and are solely responsible for providing Hospital services.

## Liability for Charges

While it is not likely, it is possible that Health Net may be unable to pay a Health Net provider. If this happens, the provider has contractually agreed not to seek payment from the Member.

However, this provision only applies to providers who have contracted with Health Net. You may be held liable for the cost of services or supplies received from a noncontracting provider if Health Net does not pay that provider.

This provision does not affect your obligation to pay any required Copayment or to pay for services and supplies that this Plan does not cover.

### **Prescription Drug Liability**

Health Net will not be liable for any claim or demand as a result of damages connected with the manufacturing, compounding, dispensing or use of any Prescription Drug this Plan covers.

### **Continuity of Care Upon Termination of Provider Contract**

If Health Net's contract with a Physician Group or other provider is terminated, Health Net will transfer any affected Members to another contracting Physician Group or provider and make every effort to ensure continuity of care. At least 60 days prior to termination of a contract with a Physician Group or acute care Hospital to which Members are assigned for services, Health Net will provide a written notice to affected members. For all other hospital that terminate their contract with Health Net, a written notice will be provided to affect Members within 5 days after the effective date of the contract termination.

In addition, a Member may request continued care from a provider whose contract is terminated if at the time of termination the Member was receiving care from such a provider for:

- An Acute Condition
- A Serious Chronic Condition
- A pregnancy (including the duration of the pregnancy and immediate postpartum care)
- A newborn (up to age 36 months)
- A Terminal Illness
- A surgery or other procedure that has been authorized by Health Net as part of a documented course of treatment.

For definitions of Acute Condition, Serious Chronic Condition and Terminal Illness see "Definitions" Section 1000 of this *Evidence of Coverage*.

Health Net may provide coverage for completion of services from a provider whose contract has been terminated, subject to applicable Copayments and any other exclusions and limitations of this Plan and if such provider is willing to accept the same contract terms applicable to the provider prior to the provider's contract termination.

If you would like more information on how to request continued care, or request a copy of our continuity of care policy, please contact the Member Services Department at the telephone number on the Health Net ID Card.

### **Contracting Administrators**

Health Net may designate or replace any contracting administrator that provides the covered services and supplies of this Plan. If Health Net designates or replaces any administrator and as a result procedures change, Health Net will inform you.

Any administrator designated by Health Net is an independent contractor and not an employee or agent of Health Net, unless otherwise specified in this *Evidence of Coverage*.

### **Decision-Making Authority**

Health Net has discretionary authority to interpret the benefits of this Plan and to determine when services are covered by this Plan.

### **Coordination of Benefits**

*The Member's coverage is subject to the same limitations, exclusions and other terms of this Evidence of Coverage whether Health Net is the Primary Plan or the Secondary Plan.*

Coordination of benefits (COB) is a process, regulated by law, that determines financial responsibility for payment of allowable expenses between two or more group health plans.

Allowable expenses are generally the cost or value of medical services that are covered by two or more group health plans, including two Health Net plans.

The objective of COB is to ensure that all group health plans that provide coverage to an individual will pay no more than 100% of the allowable expense for services that are received. This payment will not exceed total expenses incurred or the reasonable cash value of those services and supplies when the group health plan provides benefits in the form of services rather than cash payments.

***Health Net's COB activities will not interfere with your medical care.***

Coordination of benefits is a bookkeeping activity that occurs between the two HMOs or insurers. However, you may occasionally be asked to provide information about your other coverage.

This coordination of benefits (COB) provision applies when a Member has health care coverage under more than one plan. "Plan" is defined below.

The order of benefit determination rules below determine which Plan will pay as the primary Plan. The primary Plan that pays first pays without regard to the possibility that another plan may cover some expenses. A secondary plan pays after the primary Plan and may reduce the benefits it pays so that payment from all group plans do not exceed 100% of the total allowable expense. "Allowable Expense" is defined below.

## Definitions

The following definitions apply to the coverage provided under this section only.

A. **Plan**--A "Plan" is any of the following that provides benefits or services for medical or dental care or treatment. However, if separate contracts are used to provide coordinated coverage for members of a group, the separate contracts are considered parts of the same Plan and there is no COB among those separate contracts.

- (1) **"Plan" includes** group insurance, closed panel (HMO, PPO or EPO) coverage or other forms of group or group-type coverage (whether insured or uninsured); Hospital indemnity benefits in excess of \$200 per day; medical care components of group long-term care contracts, such as skilled nursing care.

*(Medicare is not included as a "Plan" with which Health Net engages in COB. We do, however, reduce benefits of this Plan by the amount paid by Medicare. For Medicare coordination of benefits, please refer to "Government Coverage" portion of this "General Provisions," Section 800.)*

- (2) **"Plan" does not include** nongroup coverage of any type, amounts of Hospital indemnity insurance of \$200 or less per day, school accident-type coverage, benefits for nonmedical components of group long-term care policies, Medicare supplement policies, a state plan under Medicaid or a governmental plan that, by law, provides benefits that are in excess of those of any private insurance plan or other non-governmental plan.

Each contract for coverage under (1) and (2) above is a separate Plan. If a Plan has two parts and COB rules apply only to one of the two, each of the parts is treated as a separate Plan.

B. **Primary Plan or Secondary Plan**--The order of benefit determination rules determine whether this Plan is a "Primary Plan" or "Secondary Plan" when compared to another Plan covering the person.

When this Plan is primary, its benefits are determined before those of any other Plan and without considering any other Plan's benefits. When this Plan is secondary, its benefits are determined after those of another Plan and may be reduced because of the Primary Plan's benefits.

C. **Allowable Expense**--This concept means a health care service or expense, including Deductibles and Copayments, that is covered at least in part by any of the Plans covering the person. When a Plan provides benefits in the form of services, (for example an HMO) the reasonable cash value of each service will be considered an Allowable Expense and a benefit paid. An expense or service that is not covered by any of the Plans is not an Allowable Expense.

The following are examples of expenses or services that are **not Allowable Expense** :

- (1) If a covered person is confined in a private room, the difference between the cost of a semi-private room in the Hospital and the private room, is not an Allowable Expense.

Exception: If the patient's stay in a private Hospital room is Medically Necessary in terms of generally accepted medical practice or one of the Plans routinely provides coverage for Hospital private rooms, the expense or service is an Allowable Expense.

- (2) If a person is covered by two or more Plans that compute their benefit payments on the basis of usual and customary fees, any amount in excess of the highest of the usual and customary fees for a specific benefit is not an Allowable Expense.
- (3) If a person is covered by two or more Plans that provide benefits or services on the basis of negotiated fees, an amount in excess of the highest of the negotiated fees is not an Allowable Expense.
- (4) If a person is covered by one Plan that calculates its benefits or services on the basis of usual and customary fees and another Plan that provides its benefits or services on the basis of negotiated fees, the Primary Plan's payment arrangements shall be the Allowable Expense for all Plans.
- (5) The amount a benefit is reduced by the Primary Plan because of a covered person does not comply with the Plan provisions is not an Allowable Expense.

Examples of these provisions are second surgical opinions, precertification of admissions and Preferred Provider arrangements.

- D. **Claim Determination Period**--This is the Calendar Year or that part of the Calendar Year during which a person is covered by this Plan.
- E. **Closed Panel Plan**--This is a Plan that provides health benefits to covered persons primarily in the form of services through a panel of providers that have contracted with or are employed by the Plan and that limits or excludes benefits for services provided by other providers, except in cases of emergency or referral by a panel member.
- F. **Custodial Parent**--This is a parent who has been awarded custody of a child by a court decree. In the absence of a court decree, it is the parent with whom the child resided more than half of the Calendar Year without regard to any temporary visitation.

### Order of Benefit Determination Rules

If the Member is covered by another group health Plan, responsibility for payment of benefits is determined by the following rules. These rules indicate the order of payment responsibility among Health Net and other applicable group health Plans by establishing which Plan is primary, secondary and so on.

- A. **Primary or Secondary Plan**--The Primary Plan pays or provides its benefits as if the secondary plan or plans did not exist.
- B. **No COB Provision**--A Plan that does not contain a coordination of benefits provision is always primary. There is one exception: coverage that is obtained by virtue of membership in a group that is designed to supplement a part of a basic package of benefits may provide that the supplementary coverage shall be excess to any other parts of the Plan provided by the contract holder. Examples of these types of situations are major medical coverages that are superimposed over base plan Hospital and surgical benefits and insurance-type coverages that are written in connection with a closed panel Plan to provide out-of-network benefits.
- C. **Secondary Plan Performs COB**--A Plan may consider the benefits paid or provided by another plan in determining its benefits only when it is secondary to that other Plan.
- D. **Order of Payment Rules**--The first of the following rules that describes which Plan pays its benefits before another Plan is the rule that will apply.
  1. **Subscriber (Non-dependent) vs. Dependent**--The Plan that covers the person other than as a dependent, for example as an employee, subscriber or retiree, is primary and the Plan that covers the person as a dependent is secondary.
  2. **Child Covered By More Than One Plan**--The order of payment when a child is covered by more than one Plan is:
    - a. **Birthday Rule**--The Primary Plan is the Plan of the parent whose birthday is earlier in the year if:
      - The parents are married;
      - The parents are not separated (whether or not they ever have been married); or
      - A court decree awards joint custody without specifying that one party has the responsibility to provide health care coverage.

If both parents have the same birthday, the Plan that covered either of the parents longer is primary.
    - b. **Court Ordered Responsible Parent**--If the terms of a court decree state that one of the parents is responsible for the child's health care expenses or health care coverage and the Plan of that parent has

actual knowledge of those terms, that Plan is primary. This rule applies to Claim Determination periods or plan years commencing after the Plan is given notice of the court decree.

c. **Parents Not Married, Divorced or Separated**--If the parents are not married or are separated (whether or not they ever have been married) or are divorced, the order of benefits is:

- The Plan of the Custodial Parent.
- The Plan of the spouse of the Custodial Parent.
- The Plan of the non-custodial parent.
- The Plan of the spouse of the non-custodial parent.

3. **Active vs. Inactive Employee**--The Plan that covers a person as an employee who is neither laid off nor retired (or his or her dependent,) is primary in relation to a Plan that covers the person as a laid off or retired employee (or his or her dependent). When the person has the same status under both Plans, the Plan provided by active employment is first to pay.

If the other Plan does not have this rule and if, as a result, the Plans do not agree on the order of benefits, this rule is ignored.

Coverage provided an individual by one Plan as a retired worker and by another Plan as a dependent of an actively working spouse will be determined under the rule labeled D (1) above.

4. **COBRA Continuation Coverage**--If a person whose coverage is provided under a right of continuation provided by federal (COBRA) or state law (similar to COBRA) also is covered under another Plan, the Plan covering the person as an employee or retiree (or as that person's dependent) is primary and the continuation coverage is secondary. If the other Plan does not have this rule and if, as a result, the Plans do not agree on the order of benefits, this rule is ignored.

5. **Longer or Shorter Length of Coverage**--If the preceding rules do not determine the order or payment, the Plan that covers the subscriber (non-dependent), retiree or dependent of either for the longer period is primary.

a. **Two Plans Treated As One**--To determine the length of time a person has been covered under a Plan, two Plans shall be treated as one if the covered person was eligible under the second within twenty-four hours after the first ended.

b. **New Plan Does Not Include**--The start of a new Plan does not include:

- (i) A change in the amount or scope of a Plan's benefits.
- (ii) A change in the entity that pays, provides or administers the Plan's benefits.
- (iii) A change from one type of Plan to another (such as from a single Group Plan to that of a multiple Group Plan).

c. **Measurement of Time Covered**--The person's length of time covered under a Plan is measured from the person's first date of coverage under that Plan. If that date is not readily available for a group Plan, the date the person first became a member of the group shall be used as the date from which to determine the length of time the person's coverage under the present Plan has been in force.

6. **Equal Sharing**--If none of the preceding rules determines the Primary Plan, the Allowable Expenses shall be shared equally between the Plans.

### Effect on the Benefits of this Plan

A. **Secondary Plan Reduces Benefits**--When this Plan is secondary, it may reduce its benefits so that the total benefits paid or provided by all Plans during a Claim Determination Period are not more than 100% of total Allowable Expenses.

B. **Coverage by Two Closed Panel Plans**--If a covered person is enrolled in two or more closed Panel Plans and if, for any reason, including the person's having received services from a non-panel provider, benefits are not covered by one closed Panel Plan, COB shall not apply between that Plan and other closed Panel Plans.

But, if services received from a non-panel provider are due to an emergency and would be covered by both Plans, then both Plans will provide coverage according to COB rules.

### Right to Receive and Release Information

Certain facts about health care coverage and services are needed to apply these COB rules and to determine benefits payable under this Plan and other Plans.

Health Net may obtain the facts it needs from or give them to other organizations or persons for the purpose of applying these rules and determining benefits payable under this Plan and other Plans covering the person claiming benefits.

Health Net need not tell or obtain the consent of any person to do this. Each person claiming benefits under this Plan must give Health Net any facts it needs to apply those rules and determine benefits payable.

### **Health Net's Right to Pay Others**

A "payment made" under another Plan may include an amount that should have been paid under this Plan. If this happens, Health Net may pay that amount to the organization that made the payment. That amount will then be treated as though it were a benefit paid under this Plan. Health Net will not have to pay that amount again.

The term "payment made" includes providing benefits in the form of services, in which case "payment made" means the reasonable cash value of the benefits provided in the form of services.

### **Recovery of Excessive Payments by Health Net**

If "amount of the payment made" by Health Net is more than it should have paid under this COB provision, Health Net may recover the excess from one or more of the persons it has paid or for whom it has paid or for any other person or organization that may be responsible for the benefits or services provided for the covered person.

The "amount of the payments made" includes the reasonable cash value of any benefits provided in the form of services.

## **Government Coverage**

### **Medicare Coordination of Benefits (COB)**

When you or your spouse reaches age 65, you may become eligible for Medicare based on age. You may also become eligible for Medicare before reaching age 65 due to disability or end stage renal disease.

If you are enrolled in this Plan as well as in both Medicare Parts A and B and are not an active employee, then this Plan is a Health Net Medicare Coordination of Benefits (COB) Plan. You are not eligible for this Plan unless you enroll in both Medicare Parts A and B.

Under the Health Net Medicare COB Plan, Medicare is the Primary Plan and Health Net is the Secondary Plan.

Claims are first submitted to the Medicare intermediary for determination and payment of allowable amounts. The Medicare intermediary then sends your medical care provider a Medicare Summary Notice (MSN), (formerly an Explanation of Medicare Benefits (EOMB)). In most cases, the MSN will indicate that the Medicare intermediary has forwarded the claim to Health Net for secondary coverage consideration. Health Net will process secondary claims received from the Medicare intermediary. Secondary claims not received from the Medicare intermediary must be submitted to Health Net by you or the provider of service and must include a copy of the MSN. Health Net and/or your medical provider is responsible for paying the difference between the Medicare paid amount and the Covered Services outlined in this *Evidence of Coverage*. The Health Net Medicare COB Plan will cover benefits as a supplemental payer only to the extent services are coordinated by your Primary Care Physician and authorized by Health Net.

If either you or your spouse is over the age of 65 and you are actively employed, neither you nor your spouse is eligible for the Health Net Medicare COB Plan. For answers to questions regarding Medicare, contact:

- Your local Social Security Administration office or call **1-800-772-1213**;
- The Medicare Program at **1-800-MEDICARE (1-800-633-4227)**;
- The official Medicare website at [www.medicare.gov](http://www.medicare.gov);
- The Health Insurance Counseling and Advocacy Program (HICAP) at **1-800-434-0222**, which offers health insurance counseling for California seniors; or
- Write to:



Medicare Publications  
Department of Health and Human Services  
Centers for Medicare and Medicaid  
6325 Security Blvd.  
Baltimore, MD 21207

**Medi-Cal**

Medi-Cal is last to pay in all instances. Health Net will not attempt to obtain reimbursement from Medi-Cal.

**Veterans' Administration**

Health Net will not attempt to obtain reimbursement from the Department of Veterans' Affairs (VA) for service-connected or nonservice connected medical care.

**Workers' Compensation**

This Plan does not replace Workers' Compensation Insurance. Your Group will have separate insurance coverage that will satisfy Workers' Compensation laws.

If you require covered services or supplies and the injury or illness is work-related and benefits are available as a requirement of any Workers' Compensation or Occupational Disease Law, Health Net will cover the services then obtain reimbursement from the Workers' Compensation carrier liable for the cost of medical treatment related to your illness or injury.

## MISCELLANEOUS PROVISIONS

### Cash Benefits

The ELECT 1 benefits of this *Evidence of Coverage* generally provide all covered services and supplies through a network of contracting Physician Groups. Under ELECT 1, your Physician Group performs or authorizes all care and you will not have to file claims.

There is an exception when you receive covered Emergency Care or Urgently Needed Care from a provider who does not have a contract with Health Net.

When cash benefits are due, Health Net will reimburse you for the amount you paid for services or supplies, less any applicable Copayment. If you signed an assignment of benefits and the provider presents it to us, we will send the payment to the provider. You must provide proof of any amounts that you have paid.

If a parent who has custody of a child submits a claim for cash benefits on behalf of the child who is subject to a Medical Child Support Order, Health Net will send the payment to the Custodial Parent.

### Benefits Not Transferable

No person other than a properly enrolled Member is entitled to receive the benefits of this Plan. Your right to benefits is not transferable to any other person or entity.

*If you use benefits fraudulently, your coverage will be canceled. Health Net has the right to take appropriate legal action.*

### Notice of Claim

In most instances, you will not need to file a claim to receive your ELECT 1 and ELECT 2 benefits. However, if you need to file a claim you must do so within one year from the date you receive the services or supplies. If you cannot do so within one year, you must show that it was not reasonably possible to file within that time limit and that you have filed as soon as was reasonably possible. Any claim filed more than one year from the date the expense was incurred will not be paid.

Call the Member Services Department at the telephone number shown on your Health Net ID Card to obtain claim forms.

If you need to file a claim for Emergency Mental Disorders and Chemical Dependency, or for other covered Mental Disorders and Chemical Dependency Services provided upon referral by Managed Health Network (MHN), you must file the claim with MHN after receiving those services. You must use MHN's forms in filing the claim, and you should send the claim to MHN at the address listed on the claim form or to MHN at:

Managed Health Network  
P.O. Box 14621  
Lexington, KY 40512-4621

MHN will give you claim forms upon request. For more information regarding claims for covered Mental Disorders and Chemical Dependency Services, you may call MHN at **1-800-444-4281** or you may write to MHN at the address given immediately above.

### Health Care Plan Fraud

Health care plan fraud is defined as a deception or misrepresentation by a provider, Member, employer or any person acting on their behalf. It is a felony that can be prosecuted. Any person who willfully and knowingly engages in an activity intended to defraud the health care plan by filing a claim that contains a false or deceptive statement is guilty of insurance fraud.

If you are concerned about any of the charges that appear on a bill or Explanation of Benefits form, or if you know of or suspect any illegal activity, call Health Net's toll-free Fraud Hotline at **1-800-977-3565**. The Fraud Hotline operates 24 hours a day, seven days a week. All calls are strictly confidential.

### Payment of Claim

Within 30 days of receipt of a claim (refer to "Notice of Claim" above), Health Net shall pay the benefits available under this *Evidence of Coverage* or provide written notice regarding additional information needed to determine our responsibility for the claim.

**Payment to Providers or Subscriber Under ELECT 2**

Benefit payment for Covered Expenses will be made directly to:

- Hospitals which have provider service agreements with Health Net to provide services to you (Contracting Hospitals);
- Providers of ambulance transportation as required by the California Insurance Code, even if written assignment has not been made by you. However, if the submitted provider's statement or bill indicates the charges have been paid in full, payment will be made to the Subscriber; or
- Other providers of service not mentioned above, Hospital and professional, when you assign benefits to them in writing.

Benefit payment for Covered Expenses will be made jointly to other providers and the Subscriber when:

- A written assignment stipulates joint payment; or
- The benefit payment is \$2,000 or greater and the submitted bill indicates that there is a balance due.

**Exceptions**

Joint payment will not be made to contracting Hospitals and providers of ambulance services. Payment to them will be direct as described above.

In situations not described above, payment will be made to the Subscriber.

**Payment When Subscriber is Unable to Accept**

If a claim is unpaid at the time of the Member's death or if the Member is not legally capable of accepting it, payment will be made to the Member's estate or any relative or person who may legally accept on the Member's behalf.

**Physical Examination**

Health Net, at its expense, has the right to examine or request an examination of any Member whose injury or sickness is the basis of claim as often as is reasonably required while the claim is pending.

**Interpretation of *Evidence of Coverage***

The laws of the state of California shall be applied to interpretations of this *Evidence of Coverage*.

**Time Limit on Certain Defenses**

After this *Evidence of Coverage* has been in force for a period of 3 years, no statements, except fraudulent misstatement, made by the Group contained in the application and no statements relating to insurability made by any Member eligible for coverage under this *Evidence of Coverage* can be contested or used to deny any claim.

**Legal Actions**

No legal action may be brought to recover under this *Evidence of Coverage* after 3 years from the time the Notice of Claim was required to be sent to Health Net. This means legal action must occur no later than 4 years after performance of the disputed medical service.

**Disruption of Care**

Circumstances beyond Health Net's control may disrupt care; for example, a natural disaster, war, riot, civil insurrection, epidemic, complete or partial destruction of facilities, atomic explosion or other release of nuclear energy, disability of significant Physician Group personnel or a similar event.

If circumstances beyond Health Net's control result in your not being able to obtain the Medically Necessary covered services or supplies of this Plan, Health Net will make a good faith effort to provide or arrange for those services or supplies within the remaining availability of its facilities or personnel. In the case of an emergency, go the nearest doctor or Hospital. See "Emergency and Urgently Needed Care" section under "Introduction to Health Net," Section 100.

**Sending and Receiving Notices**

Any notice that Health Net is required to make will be mailed to the Group at the current address shown in Health Net's files. If the Subscriber or the Group is required to provide notice, the notice should be mailed to the

corporate office of Health Net in Woodland Hills, California. The mailing address is shown on your Health Net ID Card.

### **Confidentiality of Medical Records**

A STATEMENT DESCRIBING HEALTH NET'S POLICIES AND PROCEDURES FOR PRESERVING THE CONFIDENTIALITY OF MEDICAL RECORDS IS AVAILABLE AND WILL BE FURNISHED TO YOU UPON REQUEST.

### **Notice Of Privacy Practices**

**THIS NOTICE DESCRIBES HOW PROTECTED HEALTH INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.**

This Notice tells you about the ways in which Health Net of California and Managed Health Network (referred to as "we" or "the Plan") may collect, use and disclose your protected health information and your rights concerning your protected health information. "Protected health information" is information about you, including demographic information, that can reasonably be used to identify you and that relates to your past, present or future physical or mental health or condition, the provision of health care to you or the payment for that care.

We are required by federal and state laws to provide you with this notice about your rights and our legal duties and privacy practices with respect to your protected health information. We must follow the terms of this notice while it is in effect. Some of the uses and disclosures described in this notice may be limited in certain cases by applicable state laws that are more stringent than the federal standards.

### **How We May Use And Disclose Your Protected Health Information**

We may use and disclose your protected health information for different purposes. The examples below are provided to illustrate the types of uses and disclosures we may make without your authorization for payment, health care operations and treatment.

- **Payment.** We use and disclose your protected health information in order to pay for your covered health expenses. For example, we may use your protected health information to process claims or be reimbursed by another insurer that may be responsible for payment.
- **Health Care Operations.** We use and disclose your protected health information in order to perform our plan activities, such as quality assessment activities or administrative activities, including data management or customer service. In some cases, we may use or disclose the information for underwriting or determining premiums.
- **Treatment.** We may use and disclose your protected health information to assist your health care providers (doctors, dentists, pharmacies, Hospitals and others) in your diagnosis and treatment. For example, we may disclose your protected health information to providers to provide information about alternative treatments.
- **Plan Sponsor.** If you are enrolled through a group health plan, we may provide summaries of claims and expenses for enrollees in a group health plan to the plan sponsor, which is usually the employer.
- **Enrolled Dependents and Family Members.** We will mail explanation of benefits forms and other mailings containing protected health information to the address we have on record for the subscriber of the health plan.

### **Other Permitted Or Required Disclosures**

- **As Required by Law.** We must disclose protected health information about you when required to do so by law.
- **Public Health Activities.** We may disclose protected health information to public health agencies for reasons such as preventing or controlling disease, injury or disability.
- **Victims of Abuse, Neglect or Domestic Violence.** We may disclose protected health information to government agencies about abuse, neglect or domestic violence.
- **Health Oversight Activities.** We may disclose protected health information to government oversight agencies (e.g., state insurance departments) for activities authorized by law.

- **Judicial and Administrative Proceedings.** We may disclose protected health information in response to a court or administrative order. We may also disclose protected health information about you in certain cases in response to a subpoena, discovery request or other lawful process.
- **Law Enforcement.** We may disclose protected health information under limited circumstances to a law enforcement official in response to a warrant or similar process; to identify or locate a suspect; or to provide information about the victim of a crime.
- **Coroners, Funeral Directors, organ Donation.** We may release protected health information to coroners or funeral directors as necessary to allow them to carry out their duties. We may also disclose protected health information in connection with organ or tissue donation.
- **Research.** Under certain circumstances, we may disclose protected health information about you for research purposes, provided certain measures have been taken to protect your privacy.
- **To Avert a Serious Threat to Health or Safety.** We may disclose protected health information about you, with some limitations, when necessary to prevent a serious threat to your health and safety or the health and safety of the public or another person.
- **Special Government Functions.** We may disclose information as required by military authorities or to authorized federal officials for national security and intelligence activities.
- **Workers' Compensation.** We may disclose protected health information to the extent necessary to comply with state law for workers' compensation programs.

#### Other Uses Or Disclosures With An Authorization

Other uses or disclosures of your protected health information will be made only with your written authorization, unless otherwise permitted or required by law. You may revoke an authorization at any time in writing, except to the extent that we have already taken action on the information disclosed or if we are permitted by law to use the information to contest a claim or coverage under the Plan.

#### Your Rights Regarding Your Protected Health Information

You have certain rights regarding protected health information that the Plan maintains about you.

- **Right To Access Your Protected Health Information.** You have the right to review or obtain copies of your protected health information records, with some limited exceptions. Usually the records include enrollment, billing, claims payment and case or medical management records. Your request to review and/or obtain a copy of your protected health information records must be made in writing. We may charge a fee for the costs of producing, copying and mailing your requested information, but we will tell you the cost in advance.
- **Right To Amend Your Protected Health Information.** If you feel that protected health information maintained by the Plan is incorrect or incomplete, you may request that we amend the information. Your request must be made in writing and must include the reason you are seeking a change. We may deny your request if, for example, you ask us to amend information that was not created by the Plan, as is often the case for health information in our records or you ask to amend a record that is already accurate and complete. If we deny your request to amend, we will notify you in writing. You then have the right to submit to us a written statement of disagreement with our decision and we have the right to rebut that statement.
- **Right to an Accounting of Disclosures by the Plan.** You have the right to request an accounting of disclosures we have made of your protected health information. The list will not include our disclosures related to your treatment, our payment or health care operations or disclosures made to you or with your authorization. The list may also exclude certain other disclosures, such as for national security purposes. Your request for an accounting of disclosures must be made in writing and must state a time period for which you want an accounting. This time period may not be longer than six years and may not include dates before April 14, 2003. Your request should indicate in what form you want the list (for example, on paper or electronically). The first accounting that you request within a 12-month period will be free. For additional lists within the same time period, we may charge for providing the accounting, but we will tell you the cost in advance.

- **Right To Request Restrictions on the Use and Disclosure of Your Protected Health Information.** You have the right to request that we restrict or limit how we use or disclose your protected health information for treatment, payment or health care operations. ***We may not agree to your request.*** If we do agree, we will comply with your request unless the information is needed for an emergency. Your request for a restriction must be made in writing. In your request, you must tell us (1) what information you want to limit; (2) whether you want to limit how we use or disclose your information or both; and (3) to whom you want the restrictions to apply.
- **Right To Receive Confidential Communications.** You have the right to request that we use a certain method to communicate with you about the Plan or that we send Plan information to a certain location if the communication could endanger you. Your request to receive confidential communications must be made in writing. Your request must clearly state that all or part of the communication from us could endanger you. We will accommodate all reasonable requests. Your request must specify how or where you wish to be contacted.
- **Right to a Paper Copy of This Notice.** You have a right at any time to request a paper copy of this notice, even if you had previously agreed to receive an electronic copy.
- **Contact Information for Exercising Your Rights.** You may exercise any of the rights described above by contacting our privacy office. See the end of this notice for the contact information.

### Health Information Security

Health Net requires its employees to follow the Health Net security policies and procedures that limit access to health information about Members to those employees who need it to perform their job responsibilities. In addition, Health Net maintains physical, administrative and technical security measures to safeguard your protected health information.

### Changes To This Notice

We reserve the right to change the terms of this notice at any time, effective for protected health information that we already have about you as well as any information that we receive in the future. We will provide you with a copy of the new notice whenever we make a material change to the privacy practices described in this notice. We also post a copy of our current notice on our website at [www.healthnet.com](http://www.healthnet.com). Any time we make a material change to this notice, we will promptly revise and issue the new notice with the new effective date.

### Complaints

If you believe that your privacy rights have been violated, you may file a complaint with us and/or with the Secretary of the Department of Health and Human Services. All complaints to the Plan must be made in writing and sent to the privacy office listed at the end of this notice.

We support your right to protect the privacy of your protected health information. ***We will not retaliate against you or penalize you for filing a complaint.***

### Contact The Plan

If you have any complaints or questions about this notice or you want to submit a written request to the Plan as required in any of the previous sections of this notice, you may send it in writing to:

Address: **Health Net Privacy Office**  
**Attention: Director, Information Privacy**  
**P.O. Box 9103**  
**Van Nuys, CA 91409**

You may also contact us at:

Telephone: **1-800-676-6976**  
Fax: **1-818-676-8981**  
Email: [Privacy@healthnet.com](mailto:Privacy@healthnet.com)

## DEFINITIONS

This section defines words that will help you understand your ELECT Open Access Plan. These words appear throughout this *Evidence of Coverage* with the initial letter of the word in capital letters.

**Acute Condition** is a medical condition that involves a sudden onset of symptoms due to an illness, injury, or other medical problem that requires prompt medical attention and that has a limited duration. Completion of covered services shall be provided for the duration of the Acute Condition.

**Allowable Charge** is the charge that Preferred Providers are allowed to charge Members, based on a contract between Health Net and such provider. Members who are provided services by a Preferred Provider will be reimbursed based solely on Allowable Charge.

**Average Wholesale Price ("AWP")** is the accepted amount for pharmaceutical products for pharmaceutical products from one of the following: Medi-Span, First Data Bank or Micro-Medics as determined by Health Net.

**Behavioral Health Administrator** is a specialized health care service plan which contracts with Health Net to underwrite and administer delivery of Mental Disorders and Chemical Dependency services through a network of Participating Mental Health Practitioners and Participating Mental Health Facilities. Health Net has contracted with Managed Health Network (MHN) to be the Behavioral Health Administrator.

**Brand Name Drug** is a Prescription Drug or medicine that has been registered under a brand or trade name by its manufacturer and is advertised and sold under that name and indicated as a brand in the Medi-Span or similar third party national Database used by Health Net.

**Calendar Year** is the twelve-month period that begins at 12:01 a.m. Pacific Time on January 1 of each year.

**Chemical Dependency** is alcoholism, drug addiction or other chemical dependency problems.

**Chemical Dependency Care Facility** is a Hospital, residential treatment center, structured outpatient program, day treatment or partial hospitalization program or other mental health care facility that is licensed to provide Chemical Dependency detoxification services or rehabilitation services.

**Copayment** is a fee charged to you for covered services when you receive them. The Copayment is due and payable to the provider of care at the time the service is received. The Copayment for each covered service is shown in "Schedule of Benefits and Copayments - ELECT 1," Section 200, and "Schedule of Benefits and Copayments - ELECT 2," Section 400, of this *Evidence of Coverage*.

**Covered Expenses** are expenses incurred by the Member for covered medical services and treatment under this Plan. It is not necessarily the amount a Physician or provider bills for a service. For the cost of services or supplies from a Preferred Provider, the amount which exceeds the Allowable Charge is not a Covered Expense.

**Custodial Care** is care that is rendered to a patient to assist in support of the essentials of daily living such as help in walking, getting in and out of bed, bathing, dressing, feeding, preparation of special diets and supervision of medications which are ordinarily self-administered and which patient:

- Is disabled mentally or physically and such disability is expected to continue and be prolonged;
- Requires a protected, monitored or controlled environment whether in an institution or in the home; and
- Is not under active and specific medical, surgical or psychiatric treatment that will reduce the disability to the extent necessary to enable the patient to function outside the protected, monitored or controlled environment.

**Customary and Reasonable Charge** is a charge which falls within the common range of fees billed by a majority of Physicians for a procedure in a given geographic region or which is justified based on the complexity or the severity of treatment for a specific case. Members who are provided services by Out-of-Network Providers will be reimbursed based on the Customary and Reasonable Charge.

### **Durable Medical Equipment**

- Serves a medical purpose (its reason for existing is to fulfill a medical need and it is not useful to anyone in the absence of illness or injury).
- Withstands repeated use.

- Fulfills basic medical needs, as opposed to satisfying personal preferences regarding style and range of capabilities.

**Effective Date** is the date that you become covered or entitled to receive the benefits this Plan provides.

**Emergency Care** is any otherwise covered service that a reasonable person with an average knowledge of health and medicine would seek if he or she was having serious symptoms and believed that without immediate treatment, any of the following would occur:

- His or her health would be put in serious danger (and in the case of a pregnant woman, would put the health of her unborn child in serious danger)
- His or her bodily functions organs or parts would become seriously damaged
- His or her bodily organs or parts would seriously malfunction

Emergency Care also includes treatment of severe Pain or active labor. Active labor, means labor at the time that either of the following would occur:

- There is inadequate time to effect safe transfer to another Hospital prior to delivery; or
- A transfer poses a threat to the safety of the Member or unborn child.

Emergency Care will also include additional screening, examination and evaluation by a Physician (or other health care provider acting within the scope of his or her license) to determine if a psychiatric emergency medical condition exists and the care and treatment necessary to relieve or eliminate such condition, within the capability of the facility.

Health Net will make any final decisions about Emergency Care.

**Evidence of Coverage (EOC)** is the booklet that Health Net has issued to the enrolled Subscriber, describing the coverage to which you are entitled.

**Experimental** is any procedure, treatment, therapy, drug, biological product, equipment, device or supply which Health Net has not determined to have been demonstrated as safe, effective or medically appropriate and which the United States Food and Drug Administration (FDA) or Department of Health and Human Services (HHS) has determined to be Experimental or Investigational or is the subject of a clinical trial.

Please refer to "Independent Medical Review of Investigational or Experimental Therapies" provision of "General Provisions," Section 800, as well as "Medical Services and Supplies" portion of "Covered Services and Supplies," Section 600, for additional information.

**Family Members** are dependents of the Subscriber, who meet the eligibility requirements for coverage under this Plan and have been enrolled by the Subscriber.

**Follow-Up Care** is the care provided after Emergency Care or Urgently Needed Care when the Member's condition, illness or injury has been stabilized and no longer requires Emergency Care or Urgently Needed Care.

**Generic Drug** is the pharmaceutical equivalent of a Brand Name Drug whose patent has expired and is available from multiple manufacturers as set out in the Medi-Span or similar third party database as used by Health Net. The Food and Drug Administration must approve the Generic Drug as meeting the same standards of safety, purity, strength and effectiveness as the Brand Name Drug.

**Group** is the business organization to which Health Net has issued the Group Service Agreement to provide the benefits of this Plan.

**Group Service Agreement** is the contract Health Net has issued to the Group, in order to provide the benefits of this Plan.

**Health Net of California, Inc** (herein referred to as **Health Net**) is a federally qualified health maintenance organization (HMO) and a California licensed health care service plan.

**Health Net Recommended Drug List** (also known as **Recommended Drug List or the List**) is a list of the Prescription Drugs that are covered by this Plan. It is prepared and updated by Health Net and distributed to Members, Member Physicians and Participating Pharmacies and posted on the Health Net website at



[www.healthnet.com](http://www.healthnet.com) Some covered Prescription Drugs require Prior Authorization from Health Net in order to be covered.

**Health Net ELECT Open Access** is a comprehensive program that provides the Member with both medical insurance within a Preferred Provider Organization network and health maintenance organization benefits through this *Evidence of Coverage* issued by Health Net.

**Health Net Service Area** is the geographic area in California where Health Net has been authorized by the California Department of Managed Health Care to contract with providers, market products, enroll Members and provide benefits through approved health plans.

**Home Health Care Agency** is an organization licensed by the state of California and certified as a Medicare Participating Provider or accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO).

**Home Health Care Agency Services** are services which are determined Medically Necessary and which are provided through personal contact at the Member's residence made by a Home Health Care Agency.

**Hospice** is a facility or program that provides a caring environment for meeting the physical and emotional needs of the terminally ill. The Hospice and its employees must be licensed according to applicable state and local laws and certified by Medicare.

**Hospital** is a legally operated facility licensed by the state as an acute care Hospital and approved either by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) or by Medicare.

**Infertility** exists when partners have experienced the following:

- The partners have had sexual relations on a recurring basis for one year with the intent of achieving pregnancy and childbirth;
- The partners have not used contraception, yet the female has not become pregnant; or if she became pregnant, could not achieve a live birth; and
- The female partner has not gone through menopause.

Infertility exists when a Physician has diagnosed a medical condition that prevents conception or live birth.

**Investigational** approaches to treatment are those that have progressed to limited use on humans but are not widely accepted as proven and effective procedures within the organized medical community. Health Net will decide whether a service or supply is Investigational.

**Level I Drugs** are Prescription Drugs listed in the Health Net Recommended Drug List that are primarily Generic Drugs and are not excluded or limited from coverage.

**Level II Drugs** are Prescription Drugs listed in the Health Net Recommended Drug List that are primarily Brand Name Drugs and are not excluded or limited from coverage.

**Level III Drugs** are Prescription Drugs that are not listed in the Health Net Recommended Drug List and are not excluded or limited from coverage. Some Level III Drugs require Prior Authorization from Health Net in order to be covered.

**Maximum Allowable Cost** for any Prescription Drug is the maximum charge Health Net will allow for Generic Drugs or for the Brand Name Drugs which have a generic equivalent. A list of Maximum Allowable Costs is maintained and may be revised periodically by Health Net.

**Maintenance Drugs** are Prescription Drugs taken continuously to manage chronic or long term conditions where Members respond positively to drug treatment and dosage adjustments are either no longer required or are made infrequently.

**Medical Child Support Order** is a court judgment or order that, according to state or federal law, requires Group health plans that are affected by that law to provide coverage to your child or children who are the subject of such an order. Health Net will honor such orders.

**Medically Necessary (or Medical Necessity)** A Medically Necessary service or supply is one that meets the following criteria: it is an otherwise covered category of services, not specifically excluded and is recommended by the treating Physician and determined by Health Net's Medical Director or the Physician designee to be:

**Purpose**

- For the purpose of treating a medical condition;

**Scope**

- The most appropriate supply or level of service, considering potential benefits and harm to the Member; not furnished primarily for the convenience of the Member or provider; not required solely for custodial, comfort or maintenance reasons; consistent with Health Net medical guidelines and furnished in the most economically efficient manner that may be provided safely and effectively for the Member; and

**Evidence**

- Known to be effective and safe in improving health outcomes. For new treatments, services or supplies, effectiveness is determined by scientific evidence. For existing treatments, services or supplies, effectiveness is determined first by scientific evidence, then by professional standards, then by expert opinion.

The fact that a Physician or other provider may prescribe order, recommend or approve a service, supply or hospitalization does not, in itself, make it Medically Necessary or make it a covered service.

**Medicare** is the Health Insurance Benefits for the Aged and Disabled Act, cited in Public Law 89-97, as amended.

**Member** is the Subscriber or an enrolled Family Member.

**Member Physician** is a Physician who provides or authorizes services to a Health Net Member. Under ELECT 1, a Member Physician is an associate of a contracting Physician Group. Under ELECT 2, a Member Physician is a Preferred Provider.

**Mental Disorders** are nervous or mental conditions that meets all of the following conditions:

- It is a clinically significant behavioral or psychological syndrome or pattern;
- It is associated with a painful symptom, such as distress;
- It impairs a patient's ability to function in one or more major life activities; or

It is a condition listed as an Axis I Disorder (excluding V Codes) in the most recent edition of the DSM by the American Psychiatric Association.

**Nonparticipating Pharmacy** is a pharmacy that does not have an agreement with Health Net to provide Prescription Drugs to Members.

**Nurse Practitioner (NP)** is a registered nurse certified as a Nurse Practitioner by the California Board of Registered Nursing. The NP, through consultation and collaboration with Physicians and other health providers, may provide and make decisions about, health care.

**Open Enrollment Period** is a period of time each Calendar Year, during which individuals who are eligible for coverage in this ELECT Open Access Plan may enroll for the first time or Subscribers, who were enrolled previously, may add their eligible dependents. Enrolled Members can also change Physician Groups at this time.

The Group decides the exact dates for the Open Enrollment Period.

Changes requested during the Open Enrollment Period become effective on the first day of the calendar month following the date the request is submitted or on any date approved by Health Net.

**Out-of-Pocket Maximum** is the maximum amount of Copayments you must pay for Covered Services for each Calendar Year. It is your responsibility to inform Health Net when you have satisfied the Out-of-Pocket Maximum, so it is important to keep all receipts for Copayments that were actually paid. Deductibles and Copayments, which are paid toward certain covered services, are not applicable to your Out-of-Pocket Maximum. These exceptions are specified in "Out-of-Pocket Maximum," Section 300, of this *Evidence of Coverage*.

**Outpatient Surgical Center** is a facility other than a medical or dental office, whose main function is performing surgical procedures on an outpatient basis. It must be licensed as an outpatient clinic according to state and local laws and must meet all requirements of an outpatient clinic providing surgical services.

**Pain** means a sensation of hurting or strong discomfort in some part of the body caused by an injury, illness, disease, functional disorder or condition.

**Participating Mental Health Facility** is a Hospital, residential treatment center, structured outpatient program, day treatment, partial hospitalization program or other mental health care facility that has signed a service contract with the Behavioral Health Administrator, to provide Mental Disorder benefits.

The facility must be licensed by the State of California to provide acute or intensive psychiatric care or detoxification services.

**Participating Mental Health Professional** is a Physician or other professional who is licensed by the state of California to provide mental health care. The Participating Mental Health Professional must have a service contract with the Behavioral Health Administrator to provide Mental Disorder services.

**Participating Pharmacy** is a licensed pharmacy that has a contract with Health Net to provide Prescription Drugs to Members of this Plan.

**Participating or Preferred Providers** are Physicians or other providers of Health Care who have a written agreement with Health Net to participate in the Health Net ELECT 2 Preferred Provider Organization (PPO) and have agreed to provide the Members of Health Net with health care at a pre-negotiated rate. The Allowable Charge will be the contracted amount that will serve as payment in full for the Member. Participating or Preferred Providers are listed in the Health Net Provider Directory.

**Physician** is a doctor of medicine (M.D.) or a doctor of osteopathy (D.O.) who is licensed to practice medicine or osteopathy where the care is provided. Care from the following providers is also covered, but only when the provider is licensed to practice where the care is provided, is rendering a service within the scope of that license, is providing a service for which benefits are specified in this *Evidence of Coverage* and when benefits would be payable if the services were provided by a Physician as defined above:

Dentist (D.D.S.)  
Optometrist (O.D.)  
Dispensing optician  
Podiatrist or chiropodist (D.P.M., D.S.P. or D.S.C.)  
Psychologist  
Chiropractor (D.C.)  
Nurse midwife  
Nurse Practitioner

Physician Assistant  
Clinical social worker (M.S.W. or L.C.S.W.)  
Marriage, family and child counselor (M.F.C.C.)  
Physical therapist (P.T. or R.P.T.)  
Speech pathologist\*  
Audiologist\*  
Occupational therapist (O.T.R.)\*  
Psychiatric mental health nurse.\*  
Respiratory care practitioner

\* Under ELECT 2 benefit level, services by these providers are covered only when a medical doctor (M.D.) or doctor of osteopathy (D.O.) refers the Member to them.

**Physician Assistant** is a health care professional certified by the state as a Physician Assistant and authorized to provide medical care when supervised by a Physician.

**Physician Group** is a group of Physicians, who are organized as a legal entity, that has an agreement in effect with Health Net to provide medical care to Health Net Members. They are sometimes referred to as a "Contracting Physician Group" or "Participating Physician Group (PPG)." Another common term is "a medical group." An individual practice association may also be a Physician Group.

**Plan** is the Health Net ELECT Open Access health benefits purchased by the Group and described in the Group Service Agreement and this *Evidence of Coverage*.

**Prescription Drug** is a drug or medicine that can be obtained only by a Prescription Drug Order. All Prescription Drugs are required to be labeled "Caution, Federal Law Prohibits Dispensing Without a Prescription." An exception is insulin and other diabetic supplies, which are considered to be a covered Prescription Drug.

**Prescription Drug Order** is a written or verbal order or refill notice for Prescription Drugs or medicines issued by a Physician.

**Primary Care Physician** is a Member Physician who coordinates and controls the delivery of covered services and supplies to the Member under ELECT 1 level of benefits. Primary Care Physicians include general and family practitioners, internists, pediatricians and obstetricians/gynecologists.

**Prior Authorization** is Health Net's approval process for certain Level I, Level II or Level III Drugs. Member Physicians must obtain Health Net's Prior Authorization before a certain Level I, Level II or Level III Drugs will be covered.

**Recommended Drug List** (also known as the **Health Net Recommended Drug List or the List**) is a list of the Prescription Drugs that are covered by this Plan. It is prepared and updated by Health Net and distributed to Members, Member Physicians and Participating Pharmacies and posted on the Health Net website at [www.healthnet.com](http://www.healthnet.com). Some covered Prescription Drugs in the Recommended Drug List require Prior Authorization from Health Net in order to be covered.

**Serious Chronic Condition** is a medical condition due to a disease, illness, or other medical problem or medical disorder that is serious in nature and that persists without full cure or worsens over an extended period of time or requires ongoing treatment to maintain remission or prevent deterioration.

**Serious Emotional Disturbances of a Child** is when a child under the age of 18 has one or more Mental Disorders identified in the most recent edition of the *Diagnostic and Statistical Manual of Mental Disorders*, other than a primary substance use disorder or a developmental disorder, that result in behavior inappropriate to the child's age according to expected developmental norms. In addition, the child must meet one or more of the following:

- As a result of the Mental Disorder, the child has substantial impairment in at least two of the following areas: self-care, school functioning, family relationships or ability to function in the community; and either (i) the child is at risk of removal from home or has already been removed from the home or (ii) the Mental Disorder and impairments have been present for more than six months or are likely to continue for more than one year;
- The child displays one of the following: psychotic features, risk of suicide or risk of violence due to a Mental Disorder; and/or
- The child meets special education eligibility requirements under Chapter 26.5 (commencing with Section 7570) of Division 7 of Title 1 of the Government Code.

**Severe Mental Illness** include schizophrenia, schizoaffective disorder, bipolar disorder (manic-depressive illness), major depressive disorders, panic disorder, obsessive-compulsive disorders, pervasive developmental disorder (including Autistic Disorder, Rett's Disorder, Childhood Disintegrative Disorder, Asperger's Disorder and Pervasive Developmental Disorder not otherwise specified to include Atypical Autism, in accordance with the most recent edition of the *Diagnostic and Statistical Manual for Mental Disorders*, autism, anorexia nervosa and bulimia nervosa.

**Skilled Nursing Facility** is an institution that is licensed by the appropriate state and local authorities to provide skilled nursing services. In addition, Medicare must approve the facility as a participating Skilled Nursing Facility.

**Specialty Pharmacy Vendor** is a pharmacy contracted with Health Net specifically to provide injectable medications.

**Subscriber** is the principal eligible, enrolled Member. The Subscriber must meet the eligibility requirements established by the Group and agreed to by Health Net as well as those described in this *Evidence of Coverage*. An eligible employee (who becomes a Subscriber upon enrollment) may enroll members of his or her family who meet the eligibility requirements of the Group and Health Net.

**Terminal Illness** is an incurable or irreversible condition that has a high probability of causing death within one year or less. Completion of covered services shall be provided for the duration of a terminal illness.

**Urgently Needed Care** is any otherwise covered medical service that a reasonable person with an average knowledge of health and medicine would seek for treatment of an injury, unexpected illness, or complication of an

existing condition, including pregnancy, to prevent the serious deterioration of his or her health, but which does not qualify as Emergency Care, as defined in this section. This may include services for which a person should reasonably have known an emergency did not exist.





**For more information, please contact us at:**

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Member Services

Cantonese  
**1.877.891.9050**

Korean  
**1.877.339.8596**

Mandarin  
**1.877.891.9053**

Spanish  
**1.800.331.1777**

Tagalog  
**1.877.891.9051**

Vietnamese  
**1.877.339.8621**

Telecommunications Device for the Deaf  
**1.800.995.0852**

[www.health.net](http://www.health.net)